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**AGREEMENT**

**Between**

**CORNING INCORPORATED**

**and the**

**UNITED STEEL, PAPER AND FORESTRY,  
RUBBER, MANUFACTURING, ENERGY,  
ALLIED INDUSTRIAL AND SERVICE  
WORKERS INTERNATIONAL UNION,  
AFL-CIO, CLC**

**ON BEHALF OF LOCAL UNION NO. 1000**

**January 20, 2006 -**

Jan 20, 2010

84 pages

### **DEDICATION**

This contract is dedicated to Stephen A. Mandell Sr., President, Local 1000, for 45 years of dedicated service including 31 years on the Local 1000 Executive Board, 13 of those years as President. We are thankful to have had Steve's leadership and friendship for all those years. Steve always represented our best interests and we wish him a long and happy retirement.

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# **AGREEMENT**

**Between**

**CORNING INCORPORATED**

**and the**

**UNITED STEEL, PAPER AND FORESTRY, RUBBER,  
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL  
AND SERVICE WORKERS  
INTERNATIONAL UNION, AFL-CIO, CLC**

This AGREEMENT made and entered into this 20th day of January, 2006, between CORNING INCORPORATED, a New York corporation of Corning, New York, hereinafter designated as the "Company", and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union AFL-CIO, CLC, hereinafter designated as the "Union" including Local Union No. 1000 of Corning, New York.

**WITNESSETH:**

## **ARTICLE I DEFINITIONS**

Section 1. Where the words are used in this Agreement, "Company" means the plants of CORNING INCORPORATED located at Corning, Big Flats, Horseheads and Erwin, New York, and Sullivan Park (formerly known as Science Park) at Erwin, New York; "Union" means the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, CLC and its Local No. 1000; and "Employee" means all production and maintenance employees and those associated with production and maintenance, including setup workers, pattern makers, stationary engineers, and oilers, cafeteria workers, truck drivers, tank repair common laborers, and material and production clerks, employed by the Company at its Corning, Big



Flats, Horseheads and Erwin, New York, plants and Sullivan Park at Erwin, and does not include engineers (chemical, electrical, mechanical, planning), office clerical employees, laboratory technicians, chemists, metallurgists, physicians, nurses, guards designated as auxiliary police, recognized bricklayers, confidential departmental office clerks to supervisors, timekeepers the majority of whose time is spent in timekeeping, rate setters, and supervisory employees with authority to hire, promote, discharge, discipline or otherwise effect changes in the status of employees or effectively recommend such action.

Section 2. Unless otherwise specified, the masculine pronoun as used herein shall be construed to include the feminine.

## **ARTICLE II**

### **UNION RECOGNITION**

Section 1. The Union hereby represents to the Company that its officers and representatives who sign this Agreement in its name have been granted the authority to make this Agreement in behalf of the Union and in behalf of Local No. 1000, which has been formed by the employees of its Corning, Big Flats, Horseheads and Erwin, New York, plants and Sullivan Park at Erwin.

Section 2. The principles and determinations set forth in the provisions of this Agreement will be carried out with the expectation that the matter of employees and Company relationship will be maintained on a harmonious and sensible basis.

Section 3. The Union is hereby recognized as the sole and exclusive bargaining agent at the Corning Incorporated plants at Corning, Big Flats, Horseheads and Erwin, New York, and at Sullivan Park at Erwin for all production and maintenance employees and those associated with production and maintenance, including setup workers, pattern makers, stationary engineers, and oilers, cafeteria workers, truck drivers, tank repair common laborers, and material and production clerks, excluding, however, engineers (chemical, electrical, mechanical, planning), office clerical employees,

laboratory technicians, chemists, metallurgists, physicians, nurses, guards designated as auxiliary police, recognized bricklayers, confidential departmental office clerks to supervisors, timekeepers the majority of whose time is spent in timekeeping, rate setters, and supervisory employees with authority to hire, promote, discharge, discipline or otherwise effect changes in the status of employees or effectively recommend such action.

Section 4. The Company agrees that if it sells, using any form of transaction, any Plant or significant part thereof which is covered by this Agreement to any other party (Buyer) who continues the business without significant interruption, it will require the Buyer to recognize the Union as the bargaining representative for the Employees and to assume the existing Agreement.

### **ARTICLE III UNION MEMBERSHIP REQUIREMENTS AND CHECK-OFF**

Section 1. The Labor-Management Relations Act, 1947, as amended, having been complied with, the parties agree as follows:

1. It is agreed subject to the provisions of the Labor-Management Relations Act of 1947, as amended, that all employees in the bargaining unit shall, after the thirtieth (30th) day of employment or thirty (30) days following the date of the Agreement, whichever is later, as a condition of employment, become and remain members of the Union and shall keep themselves in good standing for the duration of this Agreement subject, however, to the following conditions and exceptions:

A. The Company shall have the right to choose any person as a new employee. Every new employee shall be a temporary employee for a period of ninety (90) calendar days from the date he first reports for work. Periods of layoff or absences for other reasons shall not interrupt the running of the probationary period which shall be cumulative.

B. When any new employee has served his probationary period of ninety (90) calendar days, it shall be the duty of the Company to

notify the Corresponding Secretary of the expiration of the probationary period. When a new employee reports for work the Central Employment Office will provide him with a card, furnished by the Union, informing him who his departmental committeeperson is. The departmental committeeperson shall, as part of the plant orientation process, be afforded time during regular working hours to conduct union orientation.

C. The Union shall accept without discrimination the membership application of any new employee who applies in accordance with the thirty (30) day requirement set forth in SECTION 1, above, and it shall not refuse membership to such employee except for good and sufficient reason.

Section 2. The Company will deduct, for the period of this Agreement, from the wages payable to any eligible employee or Union member who shall have given the Company a written order to do so, such amount of Union dues or uniform local initiation fee as shall be owing by such member. All dues so deducted will be forwarded to the Office of the International Secretary-Treasurer or his successor.

Section 3. The Company will deduct Political Action Committee (PAC) contributions for active employees who have submitted authorization for such deductions from their wages. Such deductions shall be on a form acceptable to the Company and shall be remitted on a monthly basis to the Secretary/Treasurer of the USW PAC Fund.

#### **ARTICLE IV RESPONSIBILITIES OF UNION AND COMPANY**

Section 1. During the term of this Agreement the Union agrees that there shall be no strikes, slowdowns, work stoppages, or interruption or impeding of work.

The Company will not lock out any employee represented by the Union.

Section 2. The Company is responsible, as the Union recognizes, for the management and operation of the plant and for the efficiency, direction, order, and discipline of the working forces; and it is agreed that the Company may hire, promote, demote, transfer, drop or lay off for lack of business, and suspend or discharge employees for proper causes; and that the right to do so is vested exclusively in the Company; provided that no action so taken shall be in violation of any other provision of this Agreement and that the Company shall not use this right for the purpose of discrimination against any employee because of his membership or legitimate activity in the Union. In case of permanent layoffs, transfers, or employee quitting, the principle of one (1) week's notice shall be observed whenever possible by both the Company and the workers involved and the departmental committee person. When major changes are contemplated by Management that may affect the working conditions or hours of the employees, the Executive Committee person of the department concerned shall be notified and, if requested, a meeting shall be held with the Departmental Committee to discuss the proposed change as far in advance as possible of the effective date, so the Union may make its views known and an effort made to avert a misunderstanding and possible grievance.

Section 3. There shall be no discrimination, interference, restraint or coercion by the Company against any of its employees because of membership in the USW or because of their Union duties.

Section 4. Before outsourcing Production work, the Company will meet with the appropriate Executive Committee person to discuss alternatives.

## **ARTICLE V SENIORITY**

Section 1. In the event of increase or decrease of personnel due to changes in methods of operation or business conditions, length of continuous service shall prevail as between employees physically fit and competent through knowledge, training, skill and efficiency to

perform the available work.

Section 2. Senior employees shall be given a reasonable opportunity to prove their competency.

Section 3. Should the Union consider the Company's decision on any question of competency unreasonable, it shall become a matter for consideration as a grievance by the representatives of the Union and the Company in the manner provided in this Agreement.

Section 4. In the event of any vacancy or promotion (except in positions where technical training, special experience or special education is required) length of continuous service shall prevail as between employees physically fit and competent through knowledge, training, skill and efficiency to perform the available work. Vacancies in each department will be posted for a period of one (1) week. Any employee desiring consideration for such vacancy must signify his desire within said posting period of one (1) week by filing a written application in the Personnel office. When a position of a higher classification is posted according to the bidding process and a senior employee of the department in which the posting occurs is on vacation or returns from sickness or returns from official Union business out of town, within four (4) weeks of the date of posting, and such senior employee desires to be considered for the posted position, he must within forty-eight (48) hours after the start of his first scheduled shift following such vacation or such sickness or such out-of-town Union business, file a written notice of his desire to bid on such posting. The written notice shall qualify as though it was a bid submitted during the required seven (7) days of posting.

Section 5. Continuous service or seniority is determined by the length of service computed in years, months and days from the last date of the beginning of an employee's employment by the Company at its Corning plants.

Section 6. Continuous service shall not be broken by:

(1) Time lost through sickness of less than forty-eight (48) months, (except that illness of more than forty-eight (48) months, if

approved by the Company doctor, will not result in loss of prior seniority). If an apparent injustice arises as a result of conformance to this rule, it shall be subject to the grievance procedure.

- (2) Time lost through layoff of less than forty-eight (48) months.
- (3) Serving the Union in an official capacity.
- (4) Granted leaves of absence.
- (5) Service in the Armed Forces, as set forth in the Military clause of this Agreement.

Section 7. Continuous service or seniority shall be broken by any of the following contingencies:

(1) If any employee quits or resigns, unless rehired by the Company within thirty (30) days.

(2) Discharge by the Company, unless rehired by the Company within thirty (30) days.

(3) Layoff longer than forty-eight (48) months.

(4) Failure or refusal to report for work within one (1) week after being recalled to work by notice sent by registered letter to employee's last known address on file with the Company.

(5) Failure to keep Company, while on layoff, properly informed, as to address at which employee can be reached or notified when needed.

(6) If employee is absent for seven (7) consecutive days without notifying the Company and without a reasonable excuse.

(7) Disability which continues for more than six (6) months after expiration of Workers Compensation.

Section 8. Any employee wishing to transfer from one plant to another may make application to the Central Employment Office. The Company shall place the application on file in accordance with the applicant's seniority. When an employee accepts a transfer, all other transfers they have on file are discarded. The Company may fill nonclassified jobs on a temporary basis for up to forty-five (45) days.

Section 9. Continuous service records as compiled by the Company and accumulated prior to the date of this Agreement will be recognized.

Section 10. In case of seniority disputes, Company records

shall govern.

#### Section 11.

A. When an employee has accumulated seven (7) years' continuous service, any prior Company service in plants represented by Local 1000 shall be recognized for bidding, bumping, and transfer purposes.

B. For vacation purposes, prior Company service for all rehired employees shall be recognized as follows:

1. If the break is less than prior service, the employee is credited with all past service following one (1) year re-employment.

2. If the break is greater than prior service, the employee is credited for all past service after ten (10) years re-employment.

Section 12. This ARTICLE on seniority shall include all employees covered by this contract.

Section 13. The Company agrees to compile and furnish within a reasonable time a list of all employees covered by this contract showing their seniority status, such list to be kept current by periodic supplements.

Section 14. When an employee is transferred from one department to another, at the request of the Company, on a temporary basis, the employees affected shall be so notified and the action recorded; and when the former job is back in operation such employees shall have preference.

Section 15. An employee laid off within his probationary period, and subsequently rehired, shall be credited with the number of days of service accumulated during his prior probationary employment. In such cases, the employee's seniority date shall be the last date of rehire adjusted by the days of service accumulated in his prior period of employment. It is recognized that there is no obligation on the part of the Company to re-employ probationary employees who have been terminated or laid off.

Section 16. Special consideration relative to seniority shall be given to employees with more than twenty-five (25) years'

continuous service with the Company, in accordance with past Company practice, insofar as practicable, consistent with efficient operation. Such employees with more than twenty-five (25) years' service who have become unable to handle their regular work will be given preference to such available work as they are able to perform.

## **ARTICLE VI**

### **ABSENCE**

Section 1. Leave of Absence. When the requirement of the plant will permit, an employee may be granted a maximum leave of absence of thirty (30) days upon written application on form furnished by the Company subject to an additional thirty (30) day extension for those with at least fifteen (15) years of continuous service, approved by appropriate supervisor and delivered to the Personnel Department, except that the time limitation for disability will be controlled by the seniority provisions of ARTICLE IV of this Agreement, and except that the time limitation will not apply to employees in the Armed Services of their country, to officers of the Union absent on official Union business, nor to employees with twenty (20) years or more of continuous service who may, subject to above conditions, obtain a leave of absence, not to exceed three (3) months in any one (1) year for rest.

Section 2. Absence Without Leave. Regular attendance is expected of every employee. Absence reports should be made orally by telephone or otherwise to the Personnel Department and should be confirmed in writing within five (5) days for the protection of the worker and to avoid misunderstandings between employees and Company. Seven (7) consecutive working days' absence without written report constitutes cause for removal from rolls, with any subsequent re-employment being without credit for previous service. Failure to report to the Company within seven (7) consecutive days after the expiration of a leave of absence, or other periods of absence of specified duration, constitutes cause for removal from rolls, with any subsequent re-employment being without credit for previous service, provided that an exception may be made to this Section if its application results in an apparent injustice to an employee.



Section 3. However, an employee may be re-employed by the Company without loss of seniority within thirty (30) days if an apparent injustice is brought about by conformance to the rule.

## **ARTICLE VII WORKWEEK, HOLIDAYS AND PREMIUM PAY**

Section 1. A regular workweek consisting of seven (7) consecutive days shall be established by the Company for each department or group of employees. Such workweek shall start and end at the same time each week. Each day in the workweek will be considered a scheduled day. A workday shall consist of twenty-four (24) consecutive hours from the time an employee starts work.

Section 2. Twelve (12) holidays, as listed below, will be designated as recognized holidays:

New Year's	Thanksgiving Day
Good Friday	Day after Thanksgiving
Memorial Day	Day before Christmas
Fourth of July	Christmas
Labor Day	Two Christmas Week Holidays(*)
Veterans Day	

(\*) The two Christmas Week Holidays will be observed as follows:

### **2006**

Monday - December 25 (Christmas)  
Tuesday - December 26 (Day Before Christmas Holiday)  
Wednesday - December 27 (Christmas Week Holiday)  
Thursday - December 28 (Christmas Week Holiday)

### **2007**

Monday - December 24 (Day Before Christmas Holiday)  
Tuesday - December 25 (Christmas)  
Wednesday - December 26 (Christmas Week Holiday)  
Thursday - December 27 (Christmas Week Holiday)

## **2008**

Tuesday - December 23 (Christmas Week Holiday)

Wednesday - December 24 (Day Before Christmas Holiday)

Thursday - December 25 (Christmas)

Friday - December 26 (Christmas Week Holiday)

## **2009**

Tuesday - December 22 (Christmas Week Holiday)

Wednesday - December 23 (Christmas Week Holiday)

Thursday - December 24 (Day Before Christmas Holiday)

Friday - December 25 (Christmas)

In computing premium time for a worked holiday and for payment of an unworked holiday, each of the above recognized holidays shall consist of a twenty-four (24) consecutive hour period commencing at the start of an employee's departmental shift, that is, 10:00 p.m., 11:00 p.m., or Midnight on the night preceding the calendar holiday and ending at 10:00 p.m., 11:00 p.m., or Midnight of the holiday, respectively.

Section 3. Emergency Time will be considered as time worked at the request of the Company outside an employee's regular schedule, unless proper notice of the change of employee's schedule has been given. Proper notice shall be twenty-four (24) hours. When an employee works a full shift or more of Emergency Time and, due to his fatigue, management requests him not to work his regularly scheduled shift immediately following such Emergency time, the premium for such Emergency Time will be excluded from the computation of other premium due for that workweek; however, this provision will not apply when the Emergency Time coincides with Sunday time, holiday time or weekly overtime.

Section 4. The regular rate of pay for computing premium pay will be determined by dividing the weekly straight-time earnings plus shift differential, by the total straight-time hours worked in a workweek.

A. Time worked in excess of eight (8) hours in one (1) workday will be paid at time and onehalf rate.

B. Emergency time worked will be paid at time and one-half rate, subject to SECTION 3 above.

C. Time worked on the calendar day Sunday will be paid at time and one-half rate.

D. Time worked in excess of forty (40) hours in any workweek for which time and one-half has not been paid under rules A, B, or C will be paid at time and one-half rate.

E. Time worked on New Year's Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Day before Christmas and the two Christmas Week Holidays will be paid at the rate of double time and one-half.

Time worked on Christmas will be paid at the rate of triple time. Holiday overtime cannot be permitted when such time coincides with other overtime. When a designated holiday falls on Sunday, the beginning of the holiday will be delayed twenty-four (24) hours. Further, if any of these designated holidays are declared by Federal law to be celebrated on Monday, then the said designated holiday shall be celebrated on such Monday. Further, when two consecutive holidays occur naturally on Sunday and Monday, the two holidays will be observed on Monday and Tuesday respectively.

F. On New Year's Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Day before Christmas and the two Christmas Week Holidays, an employee will be paid his base rate for the hours the employee normally would have worked provided:

(1) The employee has not failed to work when scheduled to work on these twelve (12) holidays; except that an employee who otherwise would have qualified for unworked holiday pay under this ARTICLE VII if he had not been scheduled to work will not be disqualified if his failure to work the holiday resulted from hospitalization (for which he does not receive Weekly Disability Benefits) occurring within twenty-four (24) hours prior to the start of the employee's holiday work schedule.

(2) The employee works on both his last regularly scheduled workday immediately preceding the holiday and on his first regularly scheduled workday following the holiday; however, this requirement

will be considered satisfied:

(a) If an employee works on one but not both of said days and the reason he failed to work the other said day is that:

I he was confined to a hospital; or

II he was under doctor's care duly certified; or

III because of a death in the employee's immediate family, as that term is defined in ARTICLE XXXIII, except when the holiday is payable under that ARTICLE XXXIII.

(b) If an employee fails to work both of said days because:

I he was confined to a hospital; or

II he was under doctor's care duly certified; or

III because of a death in the employee's immediate family, as that term is defined in ARTICLE XXXIII, except when the holiday is payable under that ARTICLE XXXIII; and provided he worked his other scheduled workdays in the holiday workweek and the holiday is not later than the seventh day of disability.

(c) If an employee on the active payroll has failed to qualify under this sub-paragraph (2) due to his duly certified disabling sickness or injury, he will qualify for unworked holiday pay unless the holiday is later than the seventh day of disability.

(d) If an employee on the active payroll has had a written request for a leave of absence approved by his immediate supervisor at least seven (7) calendar days prior to a designated holiday and provided his absence will not interfere with plant requirements and further provided he worked his other scheduled workdays immediately preceding and following the approved leave and still further provided the holiday is not later than the seventh working day after the beginning of the approved leave on the schedule the employee left.

(e) An employee who is laid off will qualify for an unworked holiday if:

I he is laid off for not more than seven (7) calendar days prior to the holiday; and if

II he is recalled and actually works within seven (7) calendar days following the holiday; and

III except that the regularly scheduled days off for the schedule which the employee leaves or joins will be excluded from calculation.

G. Where an employee's normal schedule would require more than eight (8) hours work on a holiday, the employee shall receive unworked holiday pay in accordance with the normal schedule, provided the employee otherwise qualifies for unworked holiday pay in accordance with "F" above.

Section 5. In those weeks which contain one of the twelve (12) designated holidays even though not worked, the holiday will be counted as normal hours worked to establish forty (40) hours worked under Rule D.

In addition, in a holiday workweek in which an employee has been paid for an unworked holiday, all time worked by such employee after forty (40) hours actually have been worked or after forty (40) hours have been established by the preceding paragraph will be paid at time and one-half rate, but premium pay will not be pyramided.

Section 6. When an employee works continuously for more than twenty-four (24) consecutive hours from the start of his regularly scheduled shift and into his regularly scheduled shift on the next workday, he will be paid at time and one-half rate for all time worked during that second regularly scheduled shift, except on a holiday.

Section 7. When, after an employee is off on a paid vacation, he is requested by the Company to return to work before the end of his scheduled paid vacation period, he will be paid for the hours worked on his first shift only in accordance with the Emergency Time payment provision of this Agreement even though twenty-four (24) hours' notice is given. In the event an employee works over forty (40) hours in the workweek he shall be paid time and one-half for the hours worked over forty (40) also.

Section 8. When an employee is requested by the Company to work sixteen (16) consecutive hours, at least eight (8) hours of which is in the new workweek, he shall be paid time and one-half for the second eight (8) hour shift in accordance with the Emergency Time provision of this Agreement regardless of the time of notification.

Section 9. When an employee on a seven (7) day continuous operation is required to work on his regularly scheduled day off, he will be paid for such time worked at time and one-half in accordance with the Emergency Time payment provision of the Agreement, even though the twenty-four (24) hours' notice is given, and provided he has worked his full work schedule in that week.

Section 10. Effective on or after the first pay period for 2007, employees shall receive wage payments on a bi-weekly schedule.

## **ARTICLE VIII WORK OUTSIDE NORMAL SCHEDULE**

Section 1. Employees are not to start work before their regular scheduled starting time.

Section 2. If an employee is requested by a supervisor to report for work before his regular scheduled starting time in order to make special preparations, he will be paid according to rules governing pay under the terms of this Agreement.

## **ARTICLE IX TEMPORARY WORK ASSIGNMENTS**

Section 1. An employee temporarily assigned to a job paying a lower rate at the request of the Company will be paid his regular rate if the employee is fully qualified to perform his former work assignment and if the regular job is available.

Section 2. Such temporary assignment of an employee to a lower-rated hourly job at the pay rate on the higher rated job will not constitute a change in rate of pay for the lower hourly rated job.

Section 3. Nothing in the foregoing shall affect the practice of employees voluntarily working overtime on temporary work assignments outside their regular work schedules as relief during current manpower shortage.

Section 4. Temporary job vacancies shall be filled by the senior qualified employee on layoff where no employee is out of the affected classification. Temporary vacancies for the purpose of this section shall include all vacancies which are not expected to exceed 90 days' duration; provided that, the Company will discuss such vacancies with the appropriate Union officer, and any vacancy which extends significantly greater than 90 days shall then be posted.

## **ARTICLE X CALL-IN PAY**

Section 1. The Company agrees not to call employees to work when no work is available, and agrees to plan so that an employee finishing one (1) day may know whether or not to report the next day.

Section 2. The Company assumes no responsibility for individuals voluntarily appearing in the hope that work may be available.

Section 3. The Company will make reasonable effort to notify employees when not to report for work, but every employee who expects to be notified must provide reasonable telephone facilities by which he may be reached. If an employee has been regularly scheduled or notified to report for work and is not thereafter given reasonable notice by the supervisor that work is not available, and reports for work, the Company will guarantee four (4) hours of work, or four (4) hours of pay at the employee's base rate for his scheduled work, except in cases where the lack of available work is caused by conditions over which management has no control.

## **ARTICLE XI DIVISION OF OVERTIME**

Section 1. The Company will endeavor to divide overtime equally among qualified employees within a classification, within a department, within reasonable periods of time, provided that such division does not interfere with efficient operations in the

department.

Section 2. When a majority of the personnel in a department is regularly scheduled at the end of a week, the Company will retain an employee scheduled to work at such time regardless of his overtime previously worked during the week.

## **ARTICLE XII SHIFT DIFFERENTIAL**

Section 1. Effective January 23, 2006, workers employed on shifts starting at 2:00 p.m., 3:00 p.m., and 4:00 p.m., will be paid \$.25 per hour as a premium for all such work. Workers employed on non-rotating shifts starting at 10:00 p.m., 11:00 p.m., and Midnight will be paid \$.31 per hour as a premium for all such work. Workers employed on rotating shifts starting at 10:00 p.m., 11:00 p.m., and Midnight will be paid \$.27 per hour as a premium for all such work.

Beginning in 2008, workers employed on shifts starting at 2:00 p.m., 3:00 p.m., and 4:00 p.m., will be paid \$.27 per hour as a premium for all such work. Workers employed on non-rotating shifts starting at 10:00 p.m., 11:00 p.m., and Midnight will be paid \$.33 per hour as a premium for all such work. Workers employed on rotating shifts starting at 10:00 p.m., 11:00 p.m., and Midnight will be paid \$.29 per hour as a premium for all such work.

## **ARTICLE XIII CHANGING SHIFTS**

Section 1. If an employee working on an established shift schedule desires a transfer of shift, he may file application for such a transfer with the Personnel Department. Such transfers will be processed in accordance with seniority rules.



**ARTICLE XIV  
CORNING INCORPORATED  
JOB EVALUATION PLAN**

Section 1. The Corning Incorporated Job Evaluation Plan was installed January 20, 1969, in accordance with the terms of the Memorandum of Agreement dated January 4, 1969, covering the same.

Section 2. When job evaluation, as above outlined, results in wage brackets lower than prevailing rates then paid for the job, it is not the intention of the Company to reduce the prevailing base rates of employees currently working on such jobs.

Section 3. The departmental working rules and purely departmental matters shall be taken up between the department Union Committee and the departmental heads involved.

Section 4. Work and rate classification data shall be available for inspection upon an employee's request.

Section 5. Within 30 days after a job description or evaluation is changed or a new description or evaluation is established by the Company, the Company shall forward it to the local Union Secretary for review by the appropriate Union officials.

**ARTICLE XV  
FAIR LABOR STANDARDS ACT**

Section 1. The Company will continue to comply with the provisions of the Fair Labor Standards Act of 1938, as amended.

**ARTICLE XVI  
WORKING CONDITIONS AND METHODS**

Section 1. The management's policy of expansion of output and cost reduction through mechanical improvement, plant

rearrangement, or additions and developments is of vital importance to employees and Company. The elements of methods, speeds, equipment, etc., are the exclusive responsibility of management for the production and sale of material of good quality, produced at a cost free of disadvantages in a competitive market. There shall be no limit on or curtailment of production.

Section 2. The Company states that it is not its intention to change any of the working conditions now in effect in its plants and not covered by this Agreement for the purpose of discriminating against the Union or its members, and that no such change will be made except for the purpose of improving the production or the efficiency of the plant.

Section 3. This does not deny the workers the right to confer with management in regard to speeds, setup, temperatures and working conditions.

Section 4. Where for better and more efficient operation it is deemed necessary to establish new shift operations, such shifts will be established and classified by the Company as rotating or non-rotating shifts.

Section 5. When an employee is not satisfactorily performing his work he shall be so notified by his supervisor and he shall also be notified before notations regarding such work are put on his R-29. If an employee requests it, his R-29 will be available for his inspection.

Section 6. Within a reasonable time after each November 1, all detrimental entries will be removed from an employee's R-29, provided the employee did not have any detrimental entries during the preceding twelve (12) month period.

Section 7. The Company will reimburse all employees required to wear safety shoes, through a Company approved process, up to two hundred and twenty-five dollars (\$225.00) towards the purchase of safety shoes, during the life of the contract, with a maximum of one hundred twelve dollars and fifty cents (\$112.50) per pair of such shoes which shall be ANSI approved.

## **ARTICLE XVII**

### **FACTORY RULES**

Section 1. The Company shall have the right to make and, after proper publication thereof, to enforce any reasonable factory rule. Should the Union consider any such rule unreasonable, it shall be a matter for joint consideration as a grievance by the representatives of the Union and those of the Company, under this Agreement. It is recognized that factory rules, forbidding the following offenses, are at present in force, and that any violation thereof by an employee shall justify the Company in imposing the penalty of suspension or discharge:

A. Insubordination, inefficiency or incompetency of any employee.

B. Failure to conform to rules of the Company, public laws or regulations pertaining to health or safety.

C. Bringing intoxicating liquors into the plant, use of intoxicating liquors on Company property, or reporting for work or working while under the influence of liquor. (Also applies to narcotics in any form.)

D. Willful destruction, damage, or stealing of any Company property or the property of any employee on Company premises.

E. Fighting, using abusive language, or gambling on Company property.

F. Careless or willful contamination of batch.

G. Purchasing the favor of supervisor by giving or loaning money or making gifts, etc. Both the employee and supervisor shall suffer a like penalty.

H. Altering time punched in or out on time card, or punching another employee's time card.

I. Smoking in prohibited areas.

J. Willful hindering or limiting production.

K. Sleeping during working hours.

L. Habitual carelessness or recklessness, playing of tricks or pranks dangerous to other employees.

M. Any employee subject to discharge for infraction of any such Company rule shall have the right to a hearing if he desires it; and the case of any employee desiring such hearing shall be handled as a grievance under this Agreement.

## **ARTICLE XVIII VACATION PLAN**

Section 1. The vacation plan for employees on the hourly payroll is designated to afford an employee relaxation that will prepare him for work during the coming year.

Section 2. Employees with one (1) or more years of continuous service on July 1 of the vacation year will qualify for one (1) week of vacation. Employees with five (5) or more years of continuous service on July 1 of the vacation year will qualify for two (2) weeks' vacation. Employees with ten (10) or more years of continuous service on July 1 of the vacation year will qualify for three (3) weeks' vacation. Employees with fifteen (15) or more years of continuous service on July 1 of the vacation year will qualify for four (4) weeks' vacation. With regard to employees entitled to either three (3) or four (4) weeks' vacation, the Company reserves the right to limit such vacation time to two (2) weeks off (without affecting the vacation pay) if it so deems necessary. Continuous service will be determined by the same rules as govern seniority. For the first, fifth, tenth, fifteenth, twentieth, twenty-fifth and thirtieth years only, continuous service will be computed to the anniversary date of the vacation year, and each such employee will qualify on July 1 of that year for vacation as defined in the foregoing.

Section 3. Persons qualifying for a vacation under this plan will receive vacation pay on their last scheduled payday before taking an early vacation or within five (5) weeks after the signing of the contract or, during years in which there is no contract negotiation, within five (5) weeks after the contract anniversary date, whichever is earlier, in the following amounts – one (1) week's vacation pay will be 4 1/2% of total earnings for the prior fiscal year ending December 31 – two (2) weeks' vacation pay will be 6 1/2% of total earnings for the prior fiscal year ending December 31 – three (3) weeks' vacation pay will be 8 1/2% of total earnings for the prior fiscal year ending December 31 – four (4) weeks' vacation pay for employees with fifteen (15) but less than twenty (20) years of continuous service will be 9 1/2% of total earnings for the prior fiscal year ending December 31 – four (4) weeks' vacation pay for employees with twenty (20) or

more years of continuous service but less than twenty-five (25) years of continuous service will be 10 1/2% of total earnings for the prior fiscal year ending December 31 – for employees with more than twenty-five (25) years' continuous service, vacation pay will be 12% of total earnings for the prior fiscal year ending December 31 – for employees with more than thirty (30) years of continuous service, vacation pay will be 12 1/2% of total earnings for the prior fiscal year ending December 31.

Section 4. Any vacation not completed during a calendar year cannot be carried over to the next year. Vacation will, so far as possible, be granted at times most desired by employees, but the final right to allotment of vacation period is reserved by the Company so that orderly operations of the plant may be insured.

Section 5. When an employee returns to work from a leave of absence for full-time Union duties, he shall receive his vacation pay the following year from the Company based on a forty (40) hour week at his base rate.

Section 6. A veteran who has returned to employment before December 31 will be entitled to receive vacation with pay. A veteran, eligible for vacation, will have vacation pay determined by the higher of one of the other of the following methods: (a) the appropriate percent of earning for the last full year ending on December 31 prior to his separation for military service, or (b) the base rate times forty (40) hours for one week's vacation pay, or times eighty (80) hours for two weeks' vacation, or times one hundred and twenty (120) hours for three weeks' vacation pay, or times one hundred and sixty (160) hours for four weeks' vacation pay. The applicable base rate is the base rate on June 1 of the vacation year, or the re-employment base rate if re-employed later than June 1.

Section 7. If, in the opinion of the Company, the vacation plan interferes with the attainment of maximum production, an eligible employee may be required to continue work and receive vacation pay in lieu of actual vacation from work. However, it is the intent that, to the greatest degree possible in the Company's judgment, eligible employees shall receive the benefit of vacation from work, and shall

take such vacation. In the final analysis, whether an employee takes his vacation or not is up to the Company; in other words, vacations shall not be compulsory. Further, the Company reserves the right to shut down any or all of its departments or plants for part or all of the vacation periods and to have the employees take their vacations at such times.

Section 8. Any employee who resigns or is discharged after the last day of the Company's fiscal year but prior to the July 1 qualifying date shall receive the vacation pay to which he would have been entitled pursuant to Sections 2 and 3 of this ARTICLE E as if he had continued to be an employee in good standing as of that July 1 qualifying date. Such vacation pay shall be payable to such employee pursuant to Section 3 of this Article.

Section 9. If, at the time of death, an employee has qualified and not received his vacation for the year, vacation pay will be paid by the Company; and the above shall also apply even though the employee should die prior to the qualifying date, but after January 1 of the vacation year. Further, vacation pay will be paid pro-rata by the Company for the vacation year following an employee's death, based on Section 3 of this ARTICLE.

Section 10. An employee who has lost time from work with the Company in the immediate prior fiscal year ending December 31, because of an injury for which he was compensated under the State Workers Compensation Law and has returned to active employment with the Company prior to September 30, will be entitled to vacation pay either based on length of service as set forth in ARTICLE XVIII, Section 2, and a vacation accrual based on actual earnings the said previous year plus accrued earnings based on his normal scheduled hours up to forty (40) hours at his applicable base rate for each week the employee would have worked but was off due to such compensable injury or the normal computation under ARTICLE XVIII, Section 3, of the Agreement, whichever is greater.

Section 11. Upon retirement at age 55 or later, an employee will receive vacation pay in the following year for his last calendar year worked based on Section 3 of this ARTICLE.

Section 12. If an employee with 25 years or more of service requests a 5th week of time off, the Company will, if production requirements permit, excuse the employee from work for the requested vacation time period.

## **ARTICLE XIX CONTINUATION OF PRESENT PRIVILEGES**

Section 1. It is the intention of the Company to continue all existing benefits for the welfare of its employees not inconsistent with this Agreement insofar as practicable, but it is understood that the benefits granted are purely voluntary on the part of the Company and may be changed by the Company in whole or in part, or completely withdrawn when in its judgment such action becomes necessary after notice to and consultation with the Union.

## **ARTICLE XX GRIEVANCE PROCEDURE**

Section 1. Any grievance or misunderstanding which any employee or employees represented by the Union may desire to discuss and adjust with the Company shall be handled as follows:

Step 1. Must be taken up between the employee and his immediate supervisor. This does not prohibit the employee from being accompanied by his Shop Committeeperson.

If no agreement is reached with the immediate Supervisor, the employee and his Department Executive Committeeperson then may take the grievance up with the employee's Department Supervisor.

If no agreement is reached with the Department Supervisor, the employee and his Department Executive Committeeperson then may take the grievance up with the employee's Personnel Supervisor/Production Superintendent.

If no agreement is reached with the Personnel Supervisor/

Production Superintendent, the employee and his Department Executive Committeeperson then may take the grievance up with the employee's Plant Manager.

Step 2. If no agreement is reached with the Plant Manager, the employee, his Department Executive Committeeperson and the Local Union President, then may take the grievance up with the Company's Corporate Employee Relations Manager.

Step 3. A grievance not satisfactorily settled in Step 2 may be referred to the Local Union Executive Committee. If the Executive Committee feels that the grievance is justified, the Local Union will notify the designated USW International Union Representative that it wishes to process the grievance to Step 3. A grievance meeting then will be scheduled between the employee, his Department Executive Committeeperson, the Local Union President, and the USW International Union Representative or his designee, and the Company's Vice President and Director of Industrial Relations or his designee.

Step 4. If the grievance is not settled in Step 3, it may be submitted to arbitration at the request of either the USW International Union Representative or the Vice President and Director of Industrial Relations, and the decision of the arbitrator will be final and binding. Notice of the request to arbitrate the grievance must be served on the other party within thirty (30) days after the termination of proceedings in Step 3 unless extended by mutual agreement. Thereafter, and as soon as possible, the USW International Union Representative or the Vice President and Director of Industrial Relations, or both, or their designated representatives, shall request Federal Mediation and Conciliation Service to submit to each a panel of seven (7) arbitrators from which panel the parties shall alternately strike one (1) name from the panel until one (1) remains who shall be the arbitrator to hear and decide the dispute. The right to strike the first name shall be determined by a toss of a coin.

The arbitrator so selected shall have no power to add to, subtract from, or modify any of the provisions of this contract. Each party shall pay one-half of the fees and expenses of the arbitrator. The



decision of the arbitrator shall be transmitted in writing to the parties within thirty (30) days after the completion of the hearing.

## **ARTICLE XXI MISCELLANEOUS**

Section 1. Officers or representatives of the Union, who are employees of the Company, will be afforded time off from their work to assist in the affairs of the executive work of the Union as may be required, provided arrangements for such time off shall first be made with his supervisor or department head to avoid interference with plant operations. All conferences between these representatives and plant management, held during working hours, shall be without loss of time to any employee in those cases where the conference was called by the Company.

Section 2. The departmental working rules and purely departmental matters shall be taken up between the departmental Union Committee and the departmental heads involved.

Section 3. Any employee who prior to January 28, 1975, was transferred to a supervisory position or other position outside Union jurisdiction shall continue to accumulate seniority after such transfer. Not more than thirty-six (36) months' seniority in such cases shall be applicable to such employee's former status or work under Union jurisdiction. Effective as of January 28, 1975, any employee who thereafter is transferred to a supervisory position or other position outside Union jurisdiction shall not accumulate additional seniority while outside of the bargaining unit. When due to unforeseen circumstances it is necessary to replace a supervisor or weekly employee, he shall return to the hourly payroll as follows:

A. The employee shall fill the first available unclassified vacancy, dependent upon the employee's adjusted seniority as determined by SECTION 3.

B. If after filling the first available unclassified vacancy, an opening occurs in the employee's previous classification, the employee shall bid that opening according to his seniority, plus any seniority accrued following his return to the bargaining unit.

C. In the event that a layoff occurs in his former classification within thirty (30) days of his return to his former classification under B above, he shall be placed in an out-of-classification status.

Section 4. Present guards with more than thirty-six (36) months' service shall not accumulate further seniority after the date of this Agreement. Present guards with less than thirty-six (36) months' service shall accumulate seniority up to thirty-six (36) months, after the date of transfer. Employees hired after December 23, 1960, directly as guards and who were not in the bargaining unit shall not accumulate seniority. Employees transferred from the bargaining unit to the position of guards shall be governed by the provisions of Section 3 above.

Section 5. The parties recognize the special nature of the development and research work. Therefore, it is agreed that in development and research work at Sullivan Park, Erwin, N.Y., the following conditions will prevail:

A. Freedom for scientists and technicians to work themselves on all phases of their research and development projects without restriction. This shall apply to all research and development work at Sullivan Park and Houghton Park research laboratories.

B. Due to the nature of the work, the Company will have freedom in selecting employees to fill the available hourly jobs from those employees who file a transfer request or have bid on these jobs. In the selection of such employees from among qualified employees, seniority shall be a factor within the scope of this Section 5.

C. Routine construction and maintenance of buildings and services will be done under normal trade jurisdictional lines. It is understood that tradespersons assigned to research and development projects shall not be limited in their field of work.

D. It is understood that above paragraphs relating to development and research work at Sullivan Park, Erwin, N.Y., shall not apply to work at maintenance and production plants if such practice is not consistent with other contract provisions relating to production and maintenance work.

Section 6. When the Company constructs a new plant outside of Corning that takes work out of Corning, members of Local 1000 with one (1) or more years of service shall have the right to request employment at the new plant by written application at the rates there prevailing. The application forms shall be available in the office of the plant personnel manager and those directly affected shall have first choice to available employment. When filled out, the employee shall turn the applications in to their plant personnel manager. The plant personnel manager will be responsible to see that the applications are promptly processed and answers in writing made prior to the completion of initial hiring and the startup of the new plant. Applications will be reviewed in order of date of filing and must be filed at least sixty (60) days prior to the opening of the new plant.

Employees who have so applied and who in the judgment of the Company are physically fit and competent through knowledge, training, skill and efficiency to perform the available work in the new plant will be accepted for employment up to a limit of 10% of the estimated average employment for the first six (6) months of operation of the new plant less those employees from other affected Corning plants, but not less than 5% of the said total from Local 1000, Corning, New York, employees.

Section 7. Big Flats Plant Addendum 11/01/99

Section 8. Sullivan Park Addendum 03/10/00 – not implemented

Section 9. Fall Brook Plant Addendum 08/08/00 – replaced by  
Section 10

Section 10. Photonic Materials Development and Manufacturing  
Plant Addendum 04/02/01

Section 11. Diesel Manufacturing Plant 04/30/01

Section 12. Spatial Light Modulator (SLM) at CCIC 12/07/01

Section 13. Label Independent Detection (LID) Manufacturing

Section 14. Samples Development Organization (SDO) – Erwin Plant – 1/2/05

Section 15. Diesel People Movement Agreement – 9/27/05

## **ARTICLE XXII MILITARY SERVICE**

Section 1. The Company agrees that employees inducted into the Armed Services of the United States as a result of enlistment, draft or otherwise, will, upon application within ninety (90) days after honorable discharge from such service, be given his former job if employee is still qualified to perform the duties of such job and if working conditions then permit. If said employee is not qualified to perform the work, or if working conditions do not permit, every effort will be made to work out a suitable and practical solution for that employee. Any employee restored to employment in accordance with this ARTICLE shall have his seniority status increased by the period of his military service.

Section 2. A full-time hourly employee who enters the Armed Services as a draftee under the Selective Service Act as an enlistee or as a reservist is entitled to Military Separation Pay provided:

A. He has left or leaves the employ of the Company on or after June 25, 1950, in order to perform military training or service.

B. Such service is required during a recognized period of imminent danger to the national security.

C. Such service is in the United States Armed Forces (including the Army, Navy, Marine Corps, Air Force or federalized National Guard, but excluding the Merchant Marine unless the Selective Service Act of 1948 is subsequently amended to include this service).

An employee on entering military training and service as set forth above retains his status as an employee on leave of absence.

(His status after discharge from military duty will be determined by the statutory regulation then in effect).

An employee who is entitled to Military Separation Pay will have such pay determined as follows:

(1) One week's pay for a minimum of one year of service with the Company.

(2) Two weeks' pay for two or more years of service with the Company.

Length of service will be determined from employment records in Personnel Department calculated through the last day worked prior to separation for military service.

### **ARTICLE XXIII UNION LABEL**

Section 1. The Company will use the official Union label of the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, CLC for identification of ware or packages containing ware manufactured by Corning Incorporated when feasible.

### **ARTICLE XXIV BULLETIN BOARDS**

Section 1. The Company will provide bulletin boards in each department for exclusive Union use, with the understanding the Union shall post no notices elsewhere on Company property.

### **ARTICLE XXV WAGE RATES**

Section 1. Recognizing that the welfare of its employees and their opportunities to earn a living depend upon the success and prosperity of the Company and further recognizing that the various

wage increases provided for in this Agreement are of a substantial nature, the Union hereby pledges for itself and all its members – the employees of the Company – that they will perform their work effectively and efficiently to the best of their ability and will cooperate in the introduction or installation of such processes, machinery, changes in or introduction of new methods of operation, and job classification and evaluation plans or systems as the Company may introduce or put into effect for the purpose of better and more efficient operation to the end that the Company may increase production and reduce costs so that the Company may adequately meet competitive conditions, and maintain employment.

Section 2. Wage rates as agreed upon shall be on file at the Labor Relations office of the Company and shall remain undisturbed for the life of the Agreement, except when a change in, or introduction of new methods of operation, incentive pay, or job classification and evaluation shall require change. However, individual rates may be changed by mutual agreement, or by handling as a grievance under this Agreement.

Section 3. The Union further pledges for itself and its members that they will fully cooperate in the following: The reduction of shrinkages of all kinds; in the saving of materials, tools, machinery, equipment, and all Company property by means of careful handling and use; in minimizing breakage and losses of any kind caused by careless handling; in maintaining a high standard of quality in all products through efficient and careful workmanship; in aiding in the enforcement of all factory rules, regulations, safety and health measures; and in cooperation to the best interests of the Union and the Company.

Section 4. It is recognized by the Company and the Union that they both must use their best efforts to reduce absenteeism to a minimum. The Union agrees to take appropriate and proper measures to curb absenteeism among its members at all times.

Section 5. An employee hired at the Company's minimum hiring rate will receive the first and second step increase above the minimum hiring rate in one (1) month and four (4) months

respectively, subject to the limitation of the rate range maximum for a particular job. When the time period for either of these two lengths of service increases is completed on a day later than a Tuesday, the effective date of increase will be the Monday following. When automatic increases are delayed beyond the time limit set forth, the rate increase will be made retroactive to the due date. Any employee who, in the judgment of the Company, has not qualified for continued employment will be separated promptly from employment.

**Section 6.**

A. Effective January 23, 2006, all hourly wage rates will be increased four percent (4%) per hour, rounded to the nearest one-half cent.

B. All employees hired on or after January 27, 1996, will be paid in accordance to Wage Rate Schedule B

**Section 7.** Effective January 22, 2007, all hourly wage rates will be increased three percent (3%) per hour, rounded to the nearest one-half cent.

**Section 8.** Effective January 21, 2008, all hourly wage rates will be increased three percent (3%) per hour, rounded to the nearest one-half cent.

**Section 9.** Effective January 26, 2009, all hourly wage rates will be increased three percent (3%) per hour, rounded to the nearest one-half cent.

**Section 10. Investment Plan.** Effective January 4, 1988, the Corning Incorporated Investment Plan for Union Employees, as amended, was implemented as set forth in Exhibit E hereto.

**Section 11.** In January 2007, January 2008 and January 2009, a cost-of-living adjustment will be made annually on the Monday following each January 1. The base Urban Wage Earners and Clerical Workers Consumer Price Index (1967 = 100) will be the last published Index as of January 1, 2006. The index to be applied on each of the above adjustment dates will be the most recently published Urban Wage Earners and Clerical Workers Consumer Price

Index prior to each date. The amount of the cost-of-living adjustment will be computed annually after the applicable percentage limitations as set forth below have been met and will be one cent (\$.01) per hour base rate adjustment for each .5 rise in the Urban Wage Earners and Clerical Workers Consumer Price Index applicable on each of the above adjustment dates as set forth in the following schedule:

A. If the last published Urban Wage Earners and Clerical Workers Consumer Price Index on any of the adjustment dates exceed the Urban Wage Earners and Clerical Workers Consumer Price Index on the preceding date by six percent (6%), the increase will be one cent (\$.01) for each full .5 increase in the index in excess of six percent (6%).

B. The amount of the cost-of-living adjustment will be computed for each effective date, as outlined above, paid for the duration of this Agreement. Such cost-of-living adjustments will not affect any of the general wage increases provided by this Agreement.

C. Cost-of-living adjustments shall be considered as "add-on" and shall not be part of the employee's hourly wage rate or the published incentive base rate.

D. Cost-of-living adjustments shall be used in calculation of any payment due employees under any of the provisions of this contract.

E. The Urban Wage Earners and Clerical Workers Consumer Price Index shall continue to be utilized for so long as it is published in its present form by the Department of Labor.

## **ARTICLE XXVI EMPLOYEES INJURED**

Section 1. Any employee injured while on duty, and leaving work with the approval of the Company doctor or other authorized Company representative, shall receive his full pay for that day's work at his hourly rate, regardless of the time injured.

Section 2. In the event an employee commences a new period of total disability on or after the date of this Agreement as a result of occupational injury or disease which was incurred prior to the date of this Agreement, the Company will pay a supplementary benefit.



Such supplementary benefit shall not exceed twenty-six (26) weeks for each such period of total disability nor shall the supplementary benefit when combined with the Workers Compensation benefit exceed the weekly benefit which would have been payable had the disability resulted from non-occupational causes.

## **ARTICLE XXVII SUPERVISORS**

Section 1. Supervisors or salaried workers shall not perform work customarily performed by Union members, except in cases of emergency, experimental work, instruction, and the making of minor adjustments and changes.

## **ARTICLE XXVIII PENSION AND INSURANCE PROGRAM**

The Corning Incorporated Pension Plan for Hourly Employees as amended, shall continue unchanged for the duration of this Agreement. A summary outline of the Pension Plan is included in this Agreement, provided that, the Pension Plan document as supplied to the Union shall exclusively govern the interpretation and application of the Plan.

Attached hereto and incorporated herein as Exhibit A is the Insurance Program agreed upon between the parties, the same to continue unchanged during the term of this Agreement.

## **ARTICLE XXIX GENERAL PROVISIONS**

1. This Agreement is in full settlement of all the issues in dispute between the Company and the Union.

2. Between November 1, 2006 and December 31, 2006, at a mutually-agreeable time, a joint session of not over five (5) days will

be set aside to handle such unsettled grievances, as may have accumulated, within the terms of the Agreement.

3. Between November 1, 2007 and December 31, 2007, at a mutually-agreeable time, a joint session of not over five (5) days will be set aside to handle such unsettled grievances, as may have accumulated, within the terms of the Agreement.

4. Between November 1, 2008 and December 31, 2008, at a mutually-agreeable time, a joint session of not over five (5) days will be set aside to handle such unsettled grievances, as may have accumulated, within the terms of the Agreement.

### **ARTICLE XXX CANCELLATION OF CERTAIN PORTIONS OF OLD AGREEMENT**

Section 1. This Agreement cancels and supersedes all of the provisions of the previous Agreement between the parties hereto dated January 21, 2002, unless otherwise provided for herein.

### **ARTICLE XXXI SEPARABILITY CLAUSE**

Section 1. In the event any of the terms or provisions of this Agreement shall be or become invalid or unenforceable by reason of any Federal or State law, directive order, rule or regulation now existing or hereinafter enacted or issued, or any decision of a court of last resort, such invalidity or unenforceability shall not affect or impair any other terms or provisions thereof.

Section 2. If at any time during the term of this contract, a governmental agency or its delegate should deny, reduce, or fail to approve any contractual benefit, the parties shall, within a reasonable time, meet for the purpose of seeking mutual agreement upon other contract benefits which shall provide substantially equivalent value as the benefit which was not approved, to the extent permissible

under law. This shall be effective only for the term of this contract.

## **ARTICLE XXXII NOTICE OF CONTRACT WORK**

Section 1. Before outside contractors are brought into the plant by the Company, the Company will notify the Union, fully discuss the need, and submit to the Union the name of the prime contractor and work to be performed.

## **ARTICLE XXXIII TIME OFF FOR DEATH IN FAMILY**

Section 1. In the event of the death of the parent, brother, sister, mother-in-law, father-in-law, stepmother-in-law, stepfather-in-law, daughter-in-law, son-in-law, stepchild, stepparent, stepsister, stepbrother, half-sister, half-brother, grandchild or grandparent of any employee, who has been in the employ of the Company for at least thirty (30) days, the employee shall be paid for time lost through date of interment, not in excess of three (3) shifts at base rate, provided the employee attends the funeral and furnishes proof thereof, if requested by the Company. However, if an employee has lost less than three shifts due to a death in the family, he may be paid additionally for all or part of the time lost from his scheduled shift the day following interment, providing the funeral is held outside a 100-mile radius of Corning, New York, and proof is furnished if requested. In no event shall an employee receive more than three (3) shifts pay at base rate under this SECTION 1.

Section 2. In the event of the death of the wife, husband, son or daughter of any employee, who has been in the employ of the Company for at least thirty (30) days, the employee shall be paid for time lost, not in excess of five (5) shifts at base rate, provided the employee attends the funeral and furnishes proof thereof, if requested by the Company. In no event shall an employee receive more than five (5) shifts pay at base rate under this Section 2.

Section 3. If an employee has his vacation time off with pay interrupted by a death-in-family, as defined in Section 1 or Section 2 above, and the employee so notifies the Company immediately, the employee will be paid three (3) shifts at base rate under Section 1 or five (5) shifts base rate under Section 2, provided he attends the funeral and furnishes proof thereof, if requested by the Company.

Section 4. Such unworked hours, under Sections 1 and 2 above, limited to a maximum of eight (8) hours each day, will be counted as though they were worked, for the purpose of establishing forty (40) hours worked under Rule D of SECTION 4 ARTICLE VII.

#### **ARTICLE XXXIV JURY SERVICE**

Section 1. In the event an employee on the active payroll is called for jury service, he shall be excused from work for each such day on which he serves or reports to serve and shall be paid for the time necessarily lost from his regular work schedule due to such jury service, provided he notifies the Company of his intended absence. The pay shall be the difference between each day's jury fee (exclusive of travel allowance) and the pay for hours of work necessarily lost computed at his individual rate for the work he would have performed. Such unworked hours, limited to a maximum of eight (8) hours each day, will be counted as though they were worked, for the purpose of establishing forty (40) hours worked under Rule D of SECTION 4, ARTICLE VII. An employee excused from jury service shall report to work at the beginning of his next regularly scheduled shift. The employee will present proof of service of a jury duty notice or summons and the amount of pay received for such jury service.

#### **ARTICLE XXXV EDUCATIONAL OPPORTUNITY**

The Corning Incorporated Educational Assistance Policy made

effective January 1, 1962, providing educational opportunities for hourly employees, as improved January 1, 1966, is set forth in detail in EXHIBIT B attached hereto.

Employees on approved educational leave or on layoff while participating in the Displaced Workers Acts (T.R.A., N.A.F.T.A. or J.T.P.A., etc.) shall retain job classification rights; provided that, bumping to return to the classification may occur only upon termination of the educational leave.

## **ARTICLE XXXVI NO DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER**

Section 1. Both the Company and the Union agree that there will be no discrimination between employees or applicants for employment for reasons of race, creed, sex, color, age, national origin, marital or veteran status or non-job related disability and to comply with State and Federal laws pertaining hereto.

Section 2. Corning Incorporated is an Equal Opportunity Employer.

## **ARTICLE XXXVII TERM OF CONTRACT**


Section 1. This Agreement shall become effective on the date of its execution unless otherwise provided above, and shall remain in full force and effect until 11:59 p.m., January 20, 2010, and thereafter shall continue in force from year to year, unless either party hereto shall notify the other in writing at least ninety (90) days prior to the end of the current term, or as the case may be, ninety (90) days prior to the end of any additional contract year, of an intention to make changes in or terminate this Agreement. Such written notice shall specify any changes or amendments desired by the party giving such notice and shall be sent by registered mail.

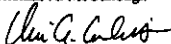
IN WITNESS WHEREOF, the parties hereto by their duly authorized officers have executed this Agreement the day and year hereinbefore first mentioned.


CORNING INCORPORATED

BY:

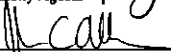
  
Kurt R. Fischer Senior Vice President, Human Resources


  
Thomas A. McCullough Division Vice President, Employee Relations

  
Kevin G. Corliss Employee Relations Manager, Corning Valley


  
Scott F. Zimmerman

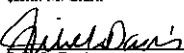
  
Anthony Agosta

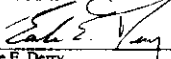
  
Joseph C. Allen

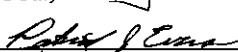
  
Barbara M. Bardo

  
Kathie Bierwiler


  
Keith M. Clark

  
Julie L. Davis

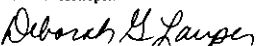
  
Earle E. Derry


  
Patrick J. Evans

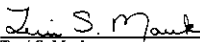
  
Volker Hartmann


  
Nancy R. Killigrew


  
Kevin S. Konopski

  
Deborah G. Lauper

  
Darlene A. Marfho

  
Terri S. Mauk

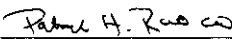
  
Sharon L. Miller

  
Linda S. Naro

  
Anthony P. Negri

  
Freda C. Phifer

  
Ellen M. Remington

  
Patrick H. Ruocco

  
Mario Scarselletta

Cynthia A. Stump  
Cynthia A. Stump

Todd S. Tetreault  
Todd S. Tetreault

Jacqueline R. Zawko  
Jacqueline R. Zawko



UNITED STEEL, PAPER AND FORESTRY, RUBBER,  
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL  
AND SERVICE WORKERS INTERNATIONAL UNION,  
AFL-CIO, CLC

*Leo W. Gerard*

Leo Gerard

President

*James O. English*

James English

Secretary - Treasurer

*Frederick D. Redmond*

Leon Lynch

Vice President - Human Affairs

*Thomas Conway*

Tom Conway

Vice President - Administration

*William J. Pienta*

William Pienta

Director District 4, International Union

*Tim Tuttle*

Timothy J. Tuttle

Chairman, USW Flint Glass Conference

*R. J. Misuraca*

Robert J. Misuraca

International Staff Representative, District 4

*Jerry Sokolow*

Jerry Sokolow

Technician, Pension and Benefits

LOCAL 1000  
OFFICERS

*Stephen A. Mandell Sr.*  
Stephen A. Mandell, Sr.

President, USIV Local 1000

*Michael J. Walker*  
Michael J. Walker

1<sup>st</sup> Vice President

*Michael D. Oakley*  
Michael D. Oakley

2<sup>nd</sup> Vice President

*Rebecca L. Coumbe*  
Rebecca L. Coumbe

Secretary-Treasurer

*Patricia A. Wright*  
Patricia Wright

Inspector

*Robert "B-T" Thomas*  
Robert "BT" Thomas

Inside Guard

*Chris E. Ruocco*  
Christopher E. Ruocco

Outside Guard

*Warren W. Baker*  
Warren W. Baker

Trustee

*Gerald G. Ovsanik*  
Gerald G. Ovsanik

Trustee

*Michael C. Pucci*  
Michael C. Pucci

Trustee

UNITED STEEL, PAPER AND FORESTRY, RUBBER,  
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND  
SERVICE WORKERS INTERNATIONAL UNION,

AFL-CIO, CLC

LOCAL 1000

EXECUTIVE COMMITTEE

*Joseph A. Speciale*  
Joseph A. Speciale

Division 1

*Peter V. Ruocco*  
Peter V. Ruocco

Division 3

*Henry E. Taylor Jr.*  
Henry E. Taylor Jr.

Division 4

*Gordon R. Casterline*  
Gordon R. Casterline

Division 5

*David R. Moore*  
David R. Moore

Division 6

*Joseph F. Pierotti*  
Joseph F. Pierotti

Division 7

## **EXHIBIT A**

### **INSURANCE BENEFITS**

1. The Company and the Union hereby agree upon the continuance of the program of insurance benefits as set forth in Schedules I and D, and Exhibits C, D, G and H attached hereto, which program shall remain in effect during the term of this Agreement.

2. Each employee shall participate in such program except as provided in said Schedules I and D, and Exhibits C, D, G and H and the amount which he is required to contribute towards the cost thereof shall be deducted by the Company from his pay. Each employee shall furnish to the Company any necessary waiver and any such written authorization or assignment which shall conform with the applicable provisions of law as shall be necessary to authorize the deduction from his earnings of the amount of his contributions.

3. Such program of insurance benefits shall be in substitution for any and all insurance benefits or payments to or on behalf of employees now provided by the Company in whole or in part (except benefits under Workers Compensation and occupational disease laws) and shall be the exclusive benefit or payment of such nature to be provided in whole or in part by the Company except as the Company and the Union shall in writing otherwise expressly agree. The Company may cease making deductions from employee earnings in connection with existing plans in which it does not otherwise participate for the same or similar benefits.

4. It is intended by the Company and the Union that the provisions for insurance benefits which are included in such program of insurance benefits shall comply with and be in substitution for provisions for similar benefits which are or shall be made by any law or laws. Amounts required to be paid by the Company or employees either as contributions, taxes or benefits under any law or laws providing non-occupational insurance benefits may, in the discretion of the Company, reduce to that extent the amounts the Company and the employees respectively shall be required to pay under this Exhibit

A and appropriate readjustment shall likewise be made in the benefits.

5. The cost of any insurance benefits for employees in addition to the benefits provided for under this Exhibit A (which additional benefits may be made available to employees by agreement with the Union) will be borne by the employees and provision may be made by agreement between the Company and the Union to deduct the cost of such additional benefits from the pay of the employees who shall desire to purchase them.

6. The Company reserves the right to provide any or all of the benefits provided for herein by means of either insurance carriers or by the Company being selfinsured.

7. Retiree Insurance – Effective the first Monday of the month after the execution of this Agreement unless otherwise specified below:

A. For Retirees and/or Dependents Under Age Sixty-Five (65) hired before January 1, 2007:

(1) For the term of the Agreement, medical benefits shall be the same as those benefits provided to active employees as set forth in Schedule I

(2) Retirees will pay the active contribution for the PPO Plan, which is the same plan offered to active employees, plus a percentage of the company cost as outlined below:

<u>Years of Service at Retirement</u>	<u>Then Current Active Contributions Plus</u>
Less than 10	80% of Company cost
10-14	70% of Company cost
15-19	50% of Company cost
20-24	30% of Company cost
25-29	10% of Company cost
30 or more	0% of Company cost*

Active employees on January 1, 1990, shall have an extra five years added to Company service for medical coverage purposes upon retirement.

\*The following "not to exceed" monthly contributions are established for retirees with 30 or more years of service. The following table represents the mutual agreement between the parties that retirees with 30 or more years of service pay the same contributions as active employees for 2007 and 2008. Beginning in 2009 and continuing into 2010, these retirees will pay the same contribution rates as active employees plus \$15 for employee only coverage, active employees plus \$30 for employee and spouse coverage and employee plus child(ren) coverage, and active employees plus \$45 for family coverage.

**Retiree Contribution Schedule (Under age 65)**  
**Payable on Monthly Basis**  
**Monthly Contribution (Not to Exceed)**

	Employee Only	Employee + Spouse	Employee + Child(ren)	Family
2007	\$59.00	\$118.00	\$118.00	\$177.00
2008	\$71.00	\$142.00	\$142.00	\$213.00
2009	\$100.00	\$200.00	\$200.00	\$200.00
2010	\$117.00	\$234.00	\$234.00	\$251.00

(3) The surviving spouse of a deceased retiree shall continue to be covered by benefits provided in (1) above until age sixty-five (65) at which time he/she shall be covered by the benefit provided in 7B or 7C below. Eligible dependent children of a deceased retiree shall be eligible for benefits so long as they meet the definition stated in Schedule I, paragraph 6.

(4) Retirees under age 65 but eligible for Medicare will be enrolled in the Corning Medicare Supplemental Plan, effective January, 2003.

(5) Upon retirement if you or your covered dependents become eligible for Medicare due to age or disability Medicare

becomes your primary coverage and the Corning Plan is secondary. The Corning Plan will subtract what Medicare would have paid whether or not you enroll for Medicare Parts A and B. The Corning Plan will continue to cover prescription drugs if you do not enroll for Medicare Part D.

(6) An employee hired during the term of this Agreement and on or after January 1, 2007 will be eligible for retiree medical coverage as such coverage is provided in the retiree medical plan in effect as of such employee's date of retirement and such employee will be responsible for 100% of all costs under the retiree medical plan in effect at the time of enrollment.

Such employee, upon retirement from the Company on or after his or her Early Retirement Date under the provisions of the Pension Plan and while his or her Pension Plan benefits are in pay status under the provisions of the Pension Plan, shall be entitled to a supplemental pension benefit of \$200 per month to be payable from retirement to age 65 or until his or her pension otherwise ceases, if earlier, provided he or she retires at age 55 or later with at least 15 years of service for retirement prior to age 60, and at least 5 years of service for retirement at or over age 60.

B. For Retirees and/or Dependents Age Sixty-Five (65) or Over hired before January 1, 2007:

The Company will during the lifetime of the retiree:

(1) Reimburse the fee, up to \$17.90 per month per enrolled individual for coverage in the Medicare Voluntary Supplemental Plan; and

(2) Reimburse up to \$850 the deductible per spell of illness for hospitalization coverage under the Medicare Basic Plan; and

(3) Reimburse up to \$225 the daily Medicare Basic Plan deductible for the 61st through the 90th day of hospitalization per spell of illness; and

(4) Reimburse for the first three (3) pints of blood per spell of illness; and

(5) Provide an Extended Medical Expense Insurance Program to pay 80% of Covered Medical Expense (after deductible) up to a maximum of \$300,000 lifetime; and

(6) Outpatient Nursing Services maximums will be limited to \$20,000 lifetime under the Extended Medical Expense Program.

(7) The surviving spouse of a retired employee will be eligible for all benefits in B above except B (1).

(8) Medicare Allowed. Under the supplemental plan for retirees over 65, the Company will pay the physician's charges based on the same schedule of services allowed under Medicare.

(9) Mail Order Prescription Drug Program. Prescription drug coverage for maintenance-type drugs as provided under the Plan (e.g., diabetes, heart condition, etc.) must be obtained through a mail order prescription program. Co-pays for up to a 90-day supply (if allowed by law and properly prescribed) are \$10.00 for generic drugs, \$20.00 for preferred brand name drugs, and \$30.00 for non-preferred brand name drugs. If a brand-name drug is dispensed when a generic is available, regardless of whether the physician indicates "dispense as written", participant payment is the generic copayment (\$10.00), plus the difference in cost between the brand-name and generic drug.

(10) Retail Drug Program. For short term prescriptions (30 days or less), prescriptions must be filled at a participating network pharmacy. Drugs purchased at non-participating pharmacies will not be covered under a Corning Medical Plan. Co-pays for up to a 30-day supply (if allowed by law and properly prescribed) are: \$8.00 for generic drugs, \$15.00 for preferred brand name drugs, and \$25.00 for non-preferred brand name drugs. If a brand-name drug is dispensed when a generic is available, regardless of whether the physician indicates "dispense as written", participant payment is the generic copayment (\$8.00), plus the difference in cost between the brand-



name and generic drug.

(11) Employees who retire on or after January 1, 1995, who are or become age 65 or over and/or their dependents who are or become age 65 or over will pay the retiree contributions as outlined below:

<b>Monthly Contribution (Not to Exceed)</b>		
	<b>Employee Only</b>	<b>Family</b>
Eff. January, 2007	\$86.00	\$172.00
Eff. January, 2008	\$99.00	\$198.00
Eff. January, 2009	\$114.00	\$228.00
Eff. January, 2010	\$131.00	\$262.00

Upon retirement if you or your covered dependents become eligible for Medicare due to age or disability, Medicare becomes your primary coverage and the Corning Plan is secondary. The Corning Plan will subtract what Medicare would have paid whether or not you enroll for Medicare Parts A and B. The Corning Plan will continue to cover prescription drugs if you do not enroll in Medicare Part D.

(13) An employee hired during the term of this Agreement and on or after January 1, 2007 will be eligible for retiree medical coverage as such coverage is provided in the retiree medical plan in effect as of such employee's date of retirement and such employee will be responsible for 100% of all costs under the retiree medical plan in effect at the time of enrollment.

The foregoing is subject to such rules and regulations as may be issued regarding the administration of Medicare by the Department of Health and Human Services or other federal or state agencies. Duplicate benefits will not be paid.

**SCHEDULE I  
INSURANCE PROGRAM  
EFFECTIVE THE FIRST MONDAY IN THE  
MONTH AFTER THE CONTRACT IS SIGNED  
(EXCEPT AS OTHERWISE NOTED):**

The provisions of this program (subject to the terms and conditions of an insurance plan now in general use) and the cost of such program to participating employees shall be as follow.:

Each new employee, if he elects insurance coverage, must elect to be covered by all insurance provided by this program.

A) Effective January 1, 2007, the Group Life Insurance, the Accidental Death or Dismemberment and, if applicable, the Optional Additional Life programs will be as follows:

<b>Basic Group Life Insurance</b>	<b>Accidental Death or Dismemberment</b>	<b>Optional Life 100%</b>	<b>50%</b>
<b>\$30,000</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$15,000</b>

B) Total and Permanent Disability Benefits will be limited to the first \$20,000 of the Basic Group Life Insurance in accordance with the existing policy, of which \$3,000 will be withheld to provide a burial benefit at death.

Certain rules that govern the plan include:

- Proof of Total and Permanent Disability must be submitted no more than one (1) year after the date of disability.
- Basic Life Insurance must be in effect.
- Must become Totally and Permanently Disabled before age 60.
- Must be disabled for six (6) months.

C) The spouse and dependent children of an employee will be insured for dependent life insurance as follows:

Spouse	\$2,000
Dependent Child (each)	\$1,000

Dependent life insurance will not be effective for any spouse or dependent child who is himself/herself insured for group life insurance as an employee of Corning Incorporated.

Available to employees as an alternative to the above program are two optional life insurance programs for spouses and dependents, which would be employee-payall:

High Option: \$20,000 Spouse/\$4,000 Dependent Child(ren)  
Low Option: \$10,000 Spouse/\$2,000 Dependent Child(ren)

1. Life Insurance insures against the contingency of death from any cause and grants total and permanent disability benefits. Effective January 1, 2000, upon retirement the amount of Life Insurance shall be reduced to \$10,000. The actual amount of Life Insurance shall be adjusted for any amount, previously paid on account of disability.

2. Benefits, other than those provided under Life Insurance and Accidental Death or Dismemberment, are provided only against contingencies which are nonoccupational in nature.

3a. Effective with any new disabilities which commence on or after January 1, 2007 through December 31, 2010, weekly disability benefits will be \$375 per week. Disability benefits will be paid from the first day of disability due to an accident or the eighth day of disability due to sickness. The benefits will be paid up to a maximum of twenty-six (26) weeks during any one period of disability. Contributions for medical, dental and optional life insurance will be waived for the weeks that disability payments are made to any new disabilities which commence on or after January 1, 2007.

3b. A supplementary benefit shall be paid at the weekly

benefit rate of the non-occupational disability plan for the fourth through seventh calendar day when an employee is unable to work because of a Workers Compensation injury. In accordance with past practice, an employee who appears to qualify for both Sick leave and Accident insurance benefits and wages for unworked holiday pay shall be entitled to only the greater of the two benefits for which the employee has qualified. If the employee's lost time exceeds fourteen (14) days, the employee will receive first day coverage under the Workers Compensation Law, in which event the Workers Compensation payment shall be reduced by the amount of the payment previously made in accordance with the above provision.

4. For those employees on an approved leave of absence, the disability benefit will be continued in effect for the first thirty (30) days of such approved leave of absence, subject to an additional thirty (30) days' extension for those with fifteen (15) years' continuous service, and a still further extension for another thirty (30) days for employees with twenty (20) years' service; provided in all above instances the employee continues to pay his regular contribution.

5a. The Comprehensive Medical Plan (CMP) will be discontinued effective December 31, 2006.

5b. The PPO Plan shall continue in effect for the term of this Agreement. Co-insurance levels, annual out-of-pocket maximums and deductibles, shall continue without change for the term of this Agreement; provided that co-insurance levels for out-of-network services may be revised to maximize discounts from in-network providers. In addition, co-pays may be revised or newly installed to correct unexpected utilization.

5c. For 2007, the medical plan offering will be a modified plan from the existing PPO plan. 2007 changes include:

- Out of network co-insurance will increase from 70% to 75%
- Out of network deductible will decrease from \$600 individual, \$1200 family to \$500 individual, \$1000 family
- Prescription drug benefits for retail will change as follows:

- Tier 1: \$10 copay (no change)
- Tier 2: 25% co-insurance; with \$15 minimum, \$35 maximum copays
- Tier 3: 45% co-insurance; with \$35 minimum, \$60 maximum copays

5d. 2007 bi-weekly contributions are established to be:

Employee Only	Employee + Spouse	Employee + Child(ren)	Family
\$27.23	\$54.46	\$54.46	\$81.69

5e. Contribution rates will be established each year by the Company based upon a blending of experience of all participating employees. Contributions will not increase by more than an average of 20% per year from the base 2007 rates, for 2008, 2009 and 2010, and will be rounded to the nearest whole dollar on a monthly basis. The 20% "not to exceed" contributions are shown below on a monthly basis, including actual contributions for 2007.

	Employee Only	Employee + Spouse	Employee + Child(ren)	Family
2007	\$59.00	\$118.00	\$118.00	\$177.00
2008	\$71.00	\$142.00	\$142.00	\$213.00
2009	\$85.00	\$170.00	\$170.00	\$255.00
2010	\$102.00	\$204.00	\$204.00	\$306.00

6. Medical benefits available to enrolled employees will also be available to enrolled eligible dependents of such an employee. "Dependents" are: an employee's legally married spouse or domestic partner (same gender) and any unmarried child, over fourteen (14) days of age but under nineteen (19) years of age, however, "child" shall include:

a. a child nineteen (19) years of age but less than twenty-three (23) years of age (coverage for a full-time student extends to age 25) provided such child is unmarried and not employed full-time except that if such a child in full-time employment is not covered for medical benefits, then coverage will continue under the Plan until the earlier of 1) the date the child is

eligible for medical coverage under his or her employer's plan or 2) the 91st day of fulltime employment, and

b. a handicapped dependent child after attainment of nineteen (19) years of age while such child is incapable of self support because of disabling sickness or injury that commenced prior to age nineteen (19), provided such child is supported solely by the employee and resides in the household of which the employee is the head and due proof of such disability is submitted within thirty-one (31) days of such child's nineteenth (19th) birthday, and

c. if a child should require medical care "other than normal" prior to reaching fifteen (15) days of age, he will be covered under the provisions of the regular group medical insurance program.

However, "dependents" shall exclude any person who is enrolled for Medical Benefits as an employee of the Company, any person who has coverage as a dependent of another employee of the Company, or any person in the military forces of any country.

#### **7. Continuation of Life, Medical and Dental Insurance during Disability (both Occupational and NonOccupational).**

The Life, Medical and Dental Insurance of all disabled employees will be continued in force for four (4) years provided the employee fulfills the following conditions:

a. He makes any required contributions or arranges for payment of his contribution until he has returned to employment. However, for non-occupational (short-term disability) absences, medical, dental and optional life insurance contributions will be waived for the weeks that disability payments are made for any new disabilities which commence on or after January 1, 2007.

b. Produces evidence of continued disability, as requested satisfactory to the Company Benefits Department.

The Life Insurance may be canceled due to failure of the employee to fulfill any of the above conditions.

At the expiration of the period of continuance, Insurance must be canceled unless the employee qualifies for Total and Permanent Disability Benefits or is over age 60. In the latter case, the applicable coverage may be continued until the employee terminates employment or retires and becomes eligible for retiree benefits.

However, all insurance shall be canceled in the event the employee becomes employed by another employer.

8. Employees laid off with more than one year of service may request their insurance, other than Weekly Disability Benefits, be continued until the end of the twelfth month following the month in which such employee was laid off. Employees with less than one year of service may have their insurance, other than Weekly Disability Benefits, continued until the end of the month following the month of layoff. The coverage will be continued for such period only if the employee makes his normal contribution to the cost. Any insurance provided under this provision will be discontinued in the event the laid off employee dies, retires, becomes employed by another employer or becomes selfemployed.

9. Upon the death of an employee with ten (10) or more years of service, dependent medical benefits will be continued for the surviving spouse and any eligible child, provided the employee was enrolled for dependent benefits at the time of death.

Coverage for the surviving spouse shall continue until the death of the surviving spouse.

Coverage for a child shall continue until the earlier of:

- a. cessation of eligibility as outlined in the section, "Who Are Dependents."
- b. cessation of eligibility of the surviving spouse.

10. The medical insurance provided shall be subject to the Coordination of Benefits provision as described in the Group Insurance Policy.

11. Employee contributions, as listed herein, for the insurance benefits provided for in Schedules I and D, exclusive of the optional benefits, will remain fixed for the term of the Agreement and any increase in the cost of these insurance benefits will be borne by the Company; the Company will be entitled to all dividends, accruals or return of other monies, if any, by the insurance carrier.

12. A new full-time employee shall be eligible for coverage following the completion of ninety (90) days of cumulative active service.

13. Any active employee, regardless of age, will have primary medical care coverage under a Corning Incorporated Medical Plan even if the employee or one of his/her insured dependents is eligible for or receiving benefits under Medicare. Upon retirement if you or your covered dependents become eligible for Medicare due to age 65 or disability, Medicare becomes your primary coverage and the Corning Plan is secondary. The Corning Plan will subtract what Medicare would have paid whether or not you enroll for Medicare Parts A and B. The Corning Plan will continue to cover prescription drugs if you do not enroll for Medicare Part D.

14. In addition to your regular medical benefits, the medical plans may provide programs such as coordinated case management, disease management and maternity care. Refer to your Benefits Handbook for details.

## **EXHIBIT C**

### **HEALTH BENEFITS CONTINUATION COVERAGE**

Effective with the date of this Agreement –

As an employee of Corning Incorporated, you have a right to choose continuation of Health Benefits (herein defined as Medical and/or Dental coverage) if your Corning Incorporated Health Benefit Plan is canceled because of reduction in your hours of employment or the termination of your employment (for reasons other than gross misconduct on your part).



The spouse of an employee covered by the Corning Incorporated Health Benefit Plans will have the right to choose continuation of coverage, if he/she loses coverage for any of the following three reasons:

- 1) The death of his/her spouse.
- 2) Termination of his/her spouse's employment (for reasons other than gross misconduct) or reduction in his/her spouse's hours of employment.
- 3) Divorce from his/her spouse.

In the case of a dependent child of an employee covered by the Corning Incorporated Hourly Health Benefit Plans, he or she has the right to continuation of coverage if group health benefits under this Plan are lost for any of the following four reasons:

- 1) The death of a parent.
- 2) The termination of a parent's employment (for reasons other than gross misconduct) or reduction in a parent's hours of employment with Corning Incorporated.
- 3) Parent's divorce.
- 4) The dependent ceases to be a "dependent child" under the Corning Incorporated Hourly Health Benefit Plans.

The employee or a family member has the responsibility to inform the Corning Benefits Network within 60 days of a divorce or a child losing dependent status under the Corning Incorporated Hourly Health Benefit Plans.

When the Corning Benefits Network is notified that one of these events has happened, they will in turn notify you that you have the right to choose continuation coverage. You have at least 90 days from the date you would lose coverage because of one of the events described above to inform the Corning Benefits Network that you want continuation of coverage.

If you do not choose continuation coverage, your group Health Benefits coverage will end.

If you choose continuation coverage, Corning Incorporated is required to give you coverage which, as of the time coverage is being provided, is identical to the coverage provided under the Plan to similarly-situated employees or family members. You will be afforded the opportunity to maintain continuation coverage for 36 months unless you lost group Health Benefits coverage because of a termination of employment or reduction in hours. In that case, the required continuation of coverage period is 18 months. However, the law also provides that your continuation coverage may be cut short for any of the following reasons:

- 1) Corning Incorporated no longer provides Health Benefits coverage to any of its employees;
- 2) The premium for your continuation coverage is not paid;
- 3) You became an employee covered under another group health plan;
- 4) You were divorced from a covered employee and subsequently remarry and are covered under your new spouse's group Health Benefits Plan.

Statements of Health are not required to prove insurability to choose Continuation Coverage. You will have to pay 102% of the total cost of coverage for any similarly-situated covered person for each of the coverages which you or your dependents elect to continue. Payment should be received on the first day of each month for which coverage is to be continued. Failure to pay this amount by the first of any month will result in loss of coverage. At the end of the 18 or 36 month Continuation Coverage period, the standard conversion privilege will be available.

The above is in conformance to the provisions of the Consolidated Omnibus Reconciliation Act of 1985.

## **EXHIBIT D**

### **FLEXIBLE SPENDING ACCOUNT (FSA)**

The Internal Revenue code permits the payment of medical

expenses on a pre-tax basis in certain circumstances. As a result, the Company will deduct employee contributions to the Medical, Dental and Optional Life coverages on a pretax basis.

The Flexible Spending program will permit employees to exclude from taxable income any legitimate medical expense as defined by the Internal Revenue Service for purposes of Federal Income Tax. Such expenses include medical, dental and vision care costs not covered by our plans; these could include deductibles and excess charges.

## **EXHIBIT G VISION CARE**

This employee-pay-all benefit will be extended through December 31, 2010, with the cost reconciled every two (2) years.

The terms and conditions of the Program shall be subject to the Vision Care Plan, the highlights of which are set forth below:

Active employees and their eligible dependents covered under the Corning Insurance Plan will be provided with a comprehensive eye examination and prescription eyeglasses (if required) no more frequently than one occasion during the twenty-four (24) month period commencing with the effective date of this Program.

**The examinations and eyeglasses will be supplied by a preferred network of Doctors of Optometry (O.D.). Examinations and eyeglasses from non-network providers will not be reimbursed.**

The benefit includes:

- A comprehensive eye exam (patient history, internal and external ocular exam, refraction, binocular coordination, color, tonometry and dilation when indicated).

- Single vision, bifocal, or trifocal lenses (including oversize lenses and plastic tinting).
- Choice of eyeglass frames from a uniform selection in each provider's office (over 200 frames).
- Dispensing, fitting, adjusting, and a one (1) year warranty on all eyeglasses.
- Soft standard daily wear contact lenses will be provided with a \$25 co-pay, in lieu of eyeglasses; \$45 co-pay for disposable daily wear soft contact lenses.
- Additional options not covered by the plan (e.g. invisible bifocals, special non-plan frames) are provided as an employee-pay-all option.

## **EXHIBIT H HEARING AID PLAN**

The terms and conditions of the program shall be subject to the Hearing Aid Plan, the highlights of which are set forth below:

Active employees and their eligible dependents covered under the Corning Insurance Plan will be provided with an audiometric examination, evaluation test, and hearing aid appliance(s) (if required) no more frequently than one occasion during the thirty-six (36) month period commencing with the effective date of this program. Duplicate benefits will not be paid.

This benefit provides for eighty percent (80%) reimbursement of reasonable and customary charges, with no deductible applied, for a comprehensive audiometric examination by Otolaryngologist, Otologist or Physician (M.D.), and 100% reimbursement to a maximum \$800 per ear for the dispensing and fitting of a hearing aid appliance(s) if required and prescribed – effective January 2007.

## **SCHEDULE D DENTAL ASSISTANCE PLAN ACTIVE EMPLOYEES**

A new full-time employee shall be eligible for coverage following the completion of ninety (90) days of cumulative active service.

The Dental Assistance Plan was discontinued effective December 31, 2002 and in its place, employees will be given a choice of two new dental plans effective January 1, 2003:

The Comprehensive Dental Plan and The Preventive Dental Plan. Both dental insurance plans will base payments on reasonable and customary charges for covered services and will mirror the Salaried plans. Plan details are provided in the Summary Plan Description.

**Contribution Rates** – Employee contribution rates will be established each year by the Company based on experience ratings and will be the same as for the Salaried employees, available on a four-tier basis.

**Two-year Election** – Employees who enroll in a dental plan must stay in that plan for two plan years.

### **Predetermination of Benefits**

If it is expected that dental expenses will be more than \$100, the employee should ask for a predetermination of benefits by submitting a completed claim form, indicating the cost of the work to be done. The Dental Claim Office will send a benefits allowable statement, telling the employee what the Plan will pay.

It is strongly recommended that the employee utilize this predetermination feature since he/she will find it an advantage to review the planned course of treatment with the dentist in the light of available benefits. This will enable the employee to determine the extent of the outofpocket expenses before treatment begins.

## **Alternate Benefits**

Very often there are several ways to treat a particular dental problem. In determining the amount of benefits payable, the Dental Claim Office under the guidance of professional consultants, will give consideration to alternate procedures, services or courses of treatment to accomplish a satisfactory result. Benefits may be based on a less costly procedure if the results meet accepted standards of dental practice. The employee is still free to choose the more costly treatment, but he/she will be responsible for charges beyond the benefit for the less costly procedure.

## **Coordination of Benefits (COB)**

Standard COB Provisions will apply.

## **Deductible**

The deductible is a fiscal year deductible per covered individual. (Under dental plans the expenses which go to make up the deductible are the benefits that otherwise would have been payable under the Plan.) When one member of a family has satisfied the individual deductible, the deductible for the rest of the family shall be limited in combination to the total family deductible. The plan year will be from January 1 through December 31 for purposes of the deductible.

## **Limitations and Conditions**

Standard Dental Plan limitations shall apply.

**EXHIBIT B**  
**CORNING INCORPORATED EDUCATIONAL**  
**ASSISTANCE POLICY FOR**  
**HOURLY EMPLOYEES**

**I. Introduction**

Corning Incorporated believes that an overall program of broad development of its employees is essential to the success and growth of the Company. It is a basic Corning philosophy to maintain an atmosphere which encourages employee self-development and growth. This philosophy is implemented by the following plan, through which eligible employees may obtain a portion of their educational expenses for successfully completing approved courses on their own time. Technological changes, new products, and competition call for increased skill and knowledge. Through encouraging a program of continuing self-development, Corning Incorporated offers its employees the opportunity to maintain and improve their abilities to the mutual benefit of themselves and the Company.

**II. Educational Assistance Policy**

A refund of up to 100% of academic course registration and laboratory fees will be made to regularly-employed hourly employees who complete a course of study, in residence or by correspondence, with an accredited and/or Company-approved education institution under the following conditions:

A. The course will improve the effectiveness of the individual on his present or anticipated work assignment.

B. When an active employee is accepted as a degree candidate for a business administration or technical program at an academic institution, courses not directly related to his work may be approved for refund, if they are acceptable for credit leading toward the degree.

C. Approval for educational assistance is granted by a plant manager or Company staff department manager in conjunction with the Training Department in advance of registration.

D. Courses are to be completed outside of scheduled working hours.

E. Employees who complete a course of study and obtain a grade of "A" or "B" will receive a 100% tuition refund; employees who obtain a grade of "C" will receive a 75% tuition refund; employees who obtain a grade of "D" or less will receive a 50% tuition refund.

F. Initial registration for tuition refund is limited to one course. If a grade of "A" or "B" or equivalent honor grade is received in this initial course, permission may be granted for the individual, upon request, to enroll in two courses in a subsequent semester. It is recommended that the individual maintain a "B" average, or equivalent, in order to continue taking two courses.

G. Refunds shall not duplicate educational aid for which an employee may be eligible from a government agency.

H. This plan may be amended or terminated at any time. However, such amendment or termination will not affect any course of study previously approved.

### **III. Procedures**

#### **A. Filing of Application**

1. It is necessary that employees discuss their educational goals with their supervisor and the personnel supervisor prior to applying for educational assistance.

2. Employees must submit three copies of Application Form R-116 in advance of registration in order to qualify for refund, and

3. Request approval signature of immediate supervisor, who, upon approval, will:

4. For plant personnel, process the forms through the plant manager, or for Company staff personnel, process the forms through the staff department head. The plant manager or the Company staff department head, upon verifying the appropriateness of the request, signs all copies and forwards them to the Corning Education and Training Department where appropriateness of the request is confirmed. Upon approval, all copies are signed and returned to the plant personnel supervisor who informs the applicant



of the final decision. If the course is approved, he gives the employee one copy of the approved Form R-116 and retains the other two copies.

## **B. Refund Procedure – All Employees**

1. Following completion of the course, the employee obtains his appropriate refund of tuition, registration and laboratory fees by submitting to the plant personnel supervisor for inspection of the following data:

a. Transcript showing grade.

b. Invoice from the school marked "PAID" for full tuition, registration, and laboratory fees.

2. After verifying the adequacy of the transcript and invoice, the personnel supervisor returns them to the employee for his files.

3. Educational refunds are considered compensation taxable to the employee under federal and state laws, and are subject to withholding. However, in certain cases educational expenses may be claimed as a deduction on income tax returns. Employees are advised to consult the manual of directions for income tax preparation to determine applicability.

4. At the time of processing the refund, the personnel supervisor shall complete the "Certification of Refund" on both copies of the approved Form R-116. He then submits both copies of R-116 to the plant manager or staff department head, who, upon approval –

Sends one copy to Education and Training Department, Corning, New York, and the other copy to Payroll Control Department (Corning vicinity plants), or branch plant Payroll Department.

#### **IV. Amendment which was Effective**

**January 1, 1966**

A. An employee with one year's service who wishes to undertake full-time study leading to a degree of Associate or above, having first been admitted to an accredited institution, and also having received the approval of the division head, will be entitled to a leave of absence for a period of not exceeding four (4) years.

B. Although there is no tuition refund for this program, the employee's pension rights and Company service continue. Time spent on educational leave is accumulated as continuous Company service for pension rights. This time is part of the ten (10) years or more of continuous service needed to entitle the employee to vested pension benefits as described in the employee's respective Corning Incorporated Pension Plan. Pension benefit accrual, however, is suspended during the period of the leave.

C. Employees returning within thirty (30) days of the successful completion of the study program or employees who fail to complete their degree, and who return within thirty (30) days of their dropout, will be entitled to accumulate up to forty-eight (48) months' seniority. He shall return to the bargaining unit under the procedure set forth in ARTICLE XXI, Miscellaneous, Section 3. of this Agreement; however, such employees will not be entitled to duplicate such forty-eight (48) month period.

D. Employees on educational leaves of absence desiring to work during the summer period will be placed on the recall list in accordance with their accumulated seniority. Recalls, as in the past, will be to available work.

E. An employee who is qualified to pursue accredited graduate studies leading to a Master's Degree may be granted up to four (4) hours per week leave of absence, whenever the required courses are offered only during the employee's regularly-scheduled work hours. In these cases, the Company will, in addition to granting time off, refund fifty percent (50%) of the tuition costs upon the successful completion of the course with a minimum grade of "B."

**EXHIBIT E**  
**CORNING INCORPORATED INVESTMENT PLAN**  
**FOR UNION EMPLOYEES**  
**AS AMENDED AGREEMENT**

THIS INVESTMENT PLAN FOR UNION EMPLOYEES AS AMENDED AGREEMENT, as accepted on January 28, 1987, between CORNING INCORPORATED, Corning, New York, for its plants located at Corning, New York, hereinafter referred to as the "Company," and the UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION, AFL-CIO, CLC, affiliated with the AFL-CIO on behalf of itself and its Local No. 1000 of Corning, New York, hereinafter referred to as the "Union."

The parties agree as follows:

**WHEREVER USED HEREIN -**

(a) The term "Employee" means any employee of Corning who from time to time during the term of this Agreement shall be in the bargaining unit represented by the Union.

(b) The term "Plan" means the Corning Incorporated Investment Plan for Union Employees as Amended, copy of which has been presented to, reviewed and approved by the Union.

**PART I**

Subject to a ruling of the Internal Revenue Service that the Plan conforms to the applicable requirements of the Internal Revenue Code or successor provisions thereto and that the Trust established by said Plan is entitled to exemption from income tax and to the Company's obtaining all other necessary approvals for implementation of the Plan, the Plan shall cover all eligible employees of the Company on or after January 4, 1988. The Plan shall be administered by a committee appointed by the Company's Board of Directors. All questions with respect to the Plan's administration and interpretation shall be settled by the Committee

whose determinations shall be final and conclusive.

## PART II

1. So long as the benefits as granted and limited under Part I hereof continue in effect without modification or change, neither the Union nor any of its officers or representatives nor any of the employees shall:

a. Make any request that the Company increase its contributions to the Plan; or

b. Make any request that the Company increase the rates of pay of the employees on account of or for use in paying the cost, in whole or in part, of any program of savings or retirement benefits for the employees; or

c. Make any request that the Plan benefits or provision of PART I of this Agreement be changed in any respect or terminated or that new or similar benefits be established or that the amount which the Company is required to pay or cause to be paid or provided for benefits for the employees be increased; or

d. Engage or continue to engage in or in any manner encourage or sanction any strike, work stoppage, interruption or impeding of work at the plant or plants of the Company for the purpose of securing any such increase or any such change or any other action with respect to benefits, and during the term of this Agreement the Company shall not have any obligation to negotiate or bargain with the Union with respect to any other changes in or modification to the Plan that it may deem desirable from time to time.

2. From and after the date of this Agreement, the Company shall not change or request any change in this Agreement or engage in or sanction any lockout for the purpose of securing such change.

3. The Company will continue to provide the benefits granted under the Plan hereof until 11:59 p.m., January 20, 2010, and at any time thereafter the Company shall be free to take any action it deems advisable with reference to such provisions.

4. In the event any of the terms or provisions of this

Agreement shall be or become invalid or unenforceable by reason of the applicable provision of the Employee Retirement Income Security Act of 1974 or the Internal Revenue Code, or governmental or judicial interpretations thereof, such invalidity or unenforceability shall not affect nor impair any other terms or provisions thereof.

5. This Investment Plan for Union Employees as Amended Agreement shall become effective on January 4, 1988, unless otherwise provided above, and shall remain in effect until 11:59 p.m., January 20, 2010.

## **EXHIBIT F**

### **GOALSHARING BONUS PLAN**

A Goalsharing Bonus Plan will be implemented effective in January 2006, 2007, 2008 and 2009. The Goalsharing Bonus Plan has two basic purposes:

1. Contribute directly to the long-term business success and financial improvement of the plant or unit.
2. Give all employees the opportunity to participate and share in the financial success of their plant or unit.

Through its Union-Management Steering Committee, each plant or unit will develop their goals for their Goalsharing Bonus Plan, which must be approved by the Corporate Goalsharing Committee each year for the following year. Failure to reach agreement upon an approved plan will not be subject to the grievance procedure.

The separate plants or units are designated as Big Flats, Erwin Auto, Diesel, IDM, Sullivan Park, etc.

Each Goalsharing Bonus Plan will include:

1. A provision for annually reviewing and revising the Plan's goals and formula so the Plan continues to reflect changing business conditions and requirements.
2. A formula which provides for the payment of twenty-five

percent (25%) of the total Goalsharing Bonus based on the then-applicable measure of Corporate performance (e.g. Earnings per Share). The remaining seventy-five percent (75%) will be based on the plant or unit's established performance goals.

Each Goalsharing Bonus Plan typically will include approximately 5-6 appropriately weighted goals which might include some of the following (or other) goals:

Customer Service	Downtime
Quote Response Time	Set-Up Cost
Quality	Inventory Turns
Plant Gross Margin	Safety
Cost Per Piece	Production Rates
Process Loss	Defect Rates

Each approved Goalsharing Bonus Plan will go into effect in January of the Plan year under the following Goalsharing Bonus payment rules:

1. The Goalsharing Bonus payment date will be in February following the bonus plan year.

2. Goalsharing Bonuses will be based on the greater of:

a) a percentage of the employee's earnings from hours paid exclusive of vacation pay (and will not be reflected in vacation pay); or

b) a percentage of the employee's earnings from straight time hours paid inclusive of vacation calculated at 40 hours per week for each week of eligible vacation based on the employee's rate on December 31 of the Plan year (and will not be reflected in vacation pay).

3. All employees who worked during the Goalsharing Bonus Plan year, exclusive of any employee discharged or voluntarily separated during the Plan year, will be eligible to participate.

4. There will be no guaranteed minimum Goalsharing Bonus payment, and the maximum payment will be ten percent (10%).

The Corporate Goalsharing Committee for the Corning, New York, plants or units will be comprised of approximately three International and two Local Union Officers, and five Corning Management representatives; the two Local Union Officers will not serve on any plant or unit Union-Management Steering Committee. This Goalsharing Committee will be responsible for various administrative oversight duties including the final approval for each plant or unit Goalsharing Bonus Plan.

EXHIBIT J  
JOB SECURITY AGREEMENT  
MEMORANDUM OF AGREEMENT

In the event that more than 10% of the bargaining unit employees are on permanent layoff, the Company and Union, within 60 days of such layoff, will meet with the intent of replacing junior employees who are assigned wage rates falling below and including wage group 11 with more senior employees on layoff.\*

Further, it is recognized that special conditions may occur which would cause large-scale dislocations of the employees of the Company who are members of the AFGWU Local 1000. Such conditions include plant closings, discontinuance of a business or product line, acts of God, tank failure, or other one-time significant events. In the event of the occurrence of such a condition, force reductions will be conducted in accordance with the labor agreement, provided however, in the event of a plant closing, senior employees affected by the closing will be protected from long-term layoff to the extent possible, and will replace junior employees who are assigned wage rates falling below and including wage group 11.

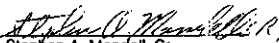
The Company and Local Union will discuss how and over what time periods the transition is done, so affected businesses remain efficient.

This Union-Management Agreement entered into this 6<sup>th</sup> day of February 1994.

Corning Incorporated

Local 1000 AFGWU

  
Donald G. Tanner  
Manager, Employee Relations

  
Stephen A. Mandell, Sr.  
President

\*Provided that, employees on layoff for more than 36 months will not be counted in any calculations under this Job Security Agreement; furthermore, it is understood that this Job Security Agreement shall not be implemented more than once every six (6) months and discussions with the Union shall begin not less than 60 days prior to any implementation of this Job Security Agreement.

1999 Contract Negotiations  
January 14, 1999



## **Pension Plan Outline**

## **INTRODUCTION**

The Company and the Union have agreed upon a program for pension benefits maintained under the terms of the Corning Incorporated Pension Plan for Hourly Employees, which may be amended from time to time.

## **PURPOSE OF THE PENSION PLAN**

The purpose of the pension plan is to provide for a monthly income to an employee after his or her retirement from Corning Incorporated.

## **ELIGIBILITY TO PARTICIPATE**

An employee is eligible to participate in this Plan from his or her date of hire if he or she is covered under the Collective Bargaining Agreement.

## **COMPANY CONTRIBUTIONS**

The Company shall make annual contributions in an amount determined actuarially to keep the Plan in sound financial status.

## **CREDITED SERVICE UNDER THE PLAN**

An employee shall be credited with 1/12th of a year for every full eighty (80) hours for which an employee receives compensation (pay) during a calendar year. An employee shall receive one year of credited service once he or she completes 960 hours of service. In no event shall an employee be credited with more than one year of service in any calendar year.

## **VESTING UNDER THE PLAN**

An employee shall be vested, or entitled to a benefit from the Plan upon the completion of five (5) years of service. If an employee leaves the Company before completing five (5) years of service, he or she will forfeit any benefits accrued under the Plan.

## **NORMAL RETIREMENT**

The normal retirement age under the Plan is age 65 with five (5) years of service. Upon Normal Retirement, the employee receives a monthly pension equal to the benefit level in effect at the time of his or her retirement (\$35.00 for 2006; \$36.00 for 2007;

\$37.00 for 2008; \$38.00 for 2009, and \$40.00 for 2010), multiplied by his or her years of credited service.

## **EARLY RETIREMENT**

Once an employee has completed five (5) years of service, he or she may retire from active service at any time after his or her attainment of age 55. Upon Early Retirement, if the employee has completed 30 years of service, he or she will be entitled to the above Normal Retirement benefit; if the employee has not completed 30 years of service, the Normal Retirement Benefit shall be reduced by 4% for each year (maximum reduction is 20%) that the employee is younger than age 60 as follows (interpolate for years and months):

<b>Retirement Age</b>	<b>Percentage of Benefit Payable</b>	<b>Retirement Age</b>	<b>Percentage of Benefit Payable</b>
55	80.0%	58	92.0%
56	84.0%	59	96.0%
57	88.0%	60	100.0%

## **FORMS OF PAYMENT**

The normal form of payment under the Plan for an employee who retires under the Normal Retirement, Early Retirement or Disability Retirement provisions of the Plan is the Certain Period which guarantees that 72 months (six years) of pension will be paid for all retirements (other than vested termination benefit commencement). After the expiration of the Certain Period, the employee may elect one of the following options:

**The election of an optional payment form is irrevocable once made by the participant. A participant must obtain the written consent from his or her spouse to elect any form of payment other than a joint and 50% survivor annuity with his or her spouse as the contingent beneficiary.**

- **Straight Life Annuity** – The benefit is payable for the employee's lifetime only, with no benefits payable after the death of the employee.

- **50%, 75% or 100% Joint & Survivor Annuity** – This benefit

guarantees that a percentage of the pension will continue on to the surviving contingent beneficiary in the event of the employee's death. If the contingent beneficiary predeceases the employee, any further actuarial reduction applicable to the joint and survivor election will be waived for the remainder of the employee's lifetime ("pop-up").

- **Level Income Option** – In addition, an employee who retires after the attainment of age 55 but before being eligible to receive Social Security monthly income benefits may elect a level income option which is actuarially adjusted to coordinate with Social Security. This benefit provides a higher benefit level (than that under the current Pension Agreement) from the date of retirement until such time as Social Security benefits are payable and a lower benefit level (than that under the current Pension Agreement) thereafter. In determining the amount that an employee will receive under this optional form, the primary Social Security benefits estimated to be payable at age 62 (or the appropriate age if Social Security is amended) shall be actuarially reduced as follows (interpolate for years and months):

Age at Retirement	Percentage of Estimated Age 62 Social Security Payable to Age 62	Age at Retirement	Percentage of Estimated Age 62 Social Security Payable to Age 62
55	54.0%	59	76.0%
56	58.7%	60	83. %
57	63.8%	61	91. %
58	69.6%	62	100.0%

It shall be the responsibility of the retired employee to make application for Social Security benefits.

## **PAYMENT DATE**

Pension checks are issued on the first business day of each month.

## **DISABILITY**

If an employee leaves covered employment on account of approved total and permanent disability after completing 10 years of credited service he or she will be entitled to receive the above Normal Retirement Benefit payable immediately. This benefit may be offset

subject to Plan provisions. The employee must submit proof of his or her total and permanent disability in a timely manner for approval by the Pension Committee of Corning Incorporated.

## **DEATH BENEFIT**

If the employee shall become deceased while in active service, the surviving spouse shall be entitled to receive 50% of the employee's vested benefit. This benefit may be adjusted for a survivorship option or for the age difference between the employee and his or her spouse. If there is no surviving spouse, and the employee's date of death occurs after his or her attainment of (a) age 55 and the completion of five (5) years of service or (b) the completion of ten (10) years of service, such benefit is payable to the surviving children of the employee who have not reached age 23, if any. This benefit shall continue in the event that the surviving spouse shall remarry.

Please refer to the Employee Handbook for information relating to medical insurance in the event of the death of the employee.

## **VESTED DEFERRED BENEFITS**

Upon the attainment of age 65, a vested terminated employee will be entitled to the Normal Retirement benefit above (based on the benefit level in effect when the employee terminates employment); however, the employee may elect to receive a reduced benefit at any time after his or her attainment of age 55. The benefit shall be reduced by 6-2/3% per year that the employee's age is less than 65 and further reduced by 3-1/3% per year that the employee's age is less than 60 at commencement as follows (interpolate for years and months):

<b>Age at Commencement</b>	<b>Percentage of Benefit Payable</b>	<b>Age at Commencement</b>	<b>Percentage of Benefit Payable</b>
55	50.0%	60	66.6%
56	53.3%	61	73.3%
57	56.6%	62	80.0%
58	60.0%	63	86.6%
59	63.3%	64	93.3%

## FORMS OF PAYMENT FOR VESTED DEFERRED BENEFITS

The election of an optional payment form is irrevocable once made by the participant. A participant must obtain the written consent from his or her spouse to elect any form of payment other than a joint and 50% survivor annuity with his or her spouse as the contingent beneficiary.

- Straight Life Annuity – The benefit is payable for the employee's lifetime only, with no benefits payable after the death of the employee.

- 50%, 75% or 100% Joint & Survivor Annuity – This benefit guarantees that a percentage of the pension will continue on to the surviving contingent beneficiary in the event of the employee's death. If the contingent beneficiary predeceases the employee, any further actuarial reduction applicable to the joint and survivor election will be waived for the remainder of the employee's lifetime ("pop-up").

- Lump Sum Distribution – If the present value of the benefit payable to the employee is determined to be less than \$20,000, the employee may elect to receive a lump sum distribution from the Plan, relieving the Plan of any further obligation to the employee. If the present value is \$1,000 or less, the benefit will automatically be paid out in a lump sum distribution.

## PBGC INSURANCE

This Plan is covered by the Pension Benefit Guaranty Corporation.

The above outline is a simplified summary and does not describe all the provisions of the Plan. This summary should not be considered a substitute for the plan document which governs the operations of the Plan. Participation in the Plan is not a guarantee of continuing employment with the Company to a date on which benefits vest or additional benefits accrue.

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